

BULLETIN No. 34.

---

COMMITTEE ON FINANCE, UNITED STATES SENATE.

---

REPLIES

TO

TARIFF INQUIRIES.

---

**SCHEDULE F—Continued.**

TOBACCO, AND MANUFACTURES OF.

NUMBERS 4267 TO 4428.

---

MAY 29, 1894.—Ordered to be printed.

---

WASHINGTON:  
GOVERNMENT PRINTING OFFICE.  
1894.





CIRCULAR LETTER OF INQUIRY.

---

COMMITTEE ON FINANCE, U. S. SENATE,  
*Washington, D. C., December 20, 1893.*

MY DEAR SIR: In former years, when the question of the tariff was uppermost in the consideration of the people, circular letters were addressed to merchants, manufacturers, and producers, representing the industrial elements of the community, and others, making inquiries as to the character and amount of their output, the capital invested, prices, wages, rates of import duties, etc. This was notably the case in 1845, under the direction of Secretary Walker; in 1882, through the tariff commission; and in 1885, under the direction of Secretary Manning.

The replies to such interrogatories furnish valuable statistics and other data, and materially aid in legislating upon the subject of customs duties.

With a view to securing such information, the Committee on Finance submit to you the following questions, which, they trust, you will formulate replies to, adding such general or special matter as you may be possessed of, and which, in your judgment, will be of value to the committee:

1. State name of corporation, firm, or individual, and character of manufacture.
2. State location of plant.
3. What amount of capital is invested.
4. When was the industry established?
5. State the amount of production, kinds, and value of articles manufactured annually since the establishment of your industry: Description, value, and quantity for each year.
6. Have you at any time during the past two years been running less than full time, and, if so, when and why?
7. What rate of ad valorem (or specific) duty is necessary to place domestic products on an equal footing with foreign producers, and your reasons why?
8. If the rate of duty upon your class of manufacture were reduced one-third, what reduction in cost of production would be necessary?
9. Please state the domestic wholesale price of your goods in 1884, 1890, and 1892, and at the date of your answer.
10. To your knowledge has there been an increased competition in your line of manufactures, either foreign or domestic, during the past four years?
11. Do you desire a specific or an ad valorem duty, and why?
12. Are you manufacturing or producing as many goods or commodities as you were in 1892, and if not, why not?
13. What has been the tendency of wages during the past twelve months?

14. If possible will you give an estimate of the exact cost of living of the families of two or more of your skilled workmen, specifying as near as may be items of expenditure.

15. Have you any difficulty in construing the existing law in regard to importations of the class of articles you produce, and have you any suggestions to make?

16. Has the price of living in your locality increased or decreased during the past four years, and to what extent?

17. What in your opinion is the cause of the present depression in trade, and what would be your remedy to correct it?

18. What component materials of your manufacture are, to you, raw materials?

19. Are the goods you manufacture luxuries or necessities?

20. What rate of interest are you compelled to pay on loans?

21. What effect has immigration had on your business?

22. What proportion of skilled labor do you employ?

23. How do you propose to meet any reduction of duty on the goods you manufacture?

24. Give the number of men, women, and children employed, and state the wages you pay for ordinary and skilled labor.

25. How many hours per week are they employed?

26. Do foreign articles of like kind enter into competition, and to what extent?

27. What proportion of your manufacture is exported, and do you realize a less price therefrom than from domestic consumption?

28. Has the cost of manufacture increased or decreased since 1883, and to what extent?

29. Has the increase or decrease been in materials or labor?

30. Have your selling prices increased or decreased since 1890?

31. What amount of the agricultural production of the country is consumed in your manufacture, or through it, indirectly or directly, and what amount of other domestic productions?

32. What component materials are used in your manufacture on which you pay a specific or an ad valorem duty? Give the rates of duty.

33. If your raw material were free would there be any necessity for a customs duty on the manufactured product?

34. Please state the wholesale prices for 1884, 1890, and 1892. Have these prices increased or decreased since 1892?

35. What changes, if any, do you recommend of existing rates of duty or administrative customs laws?

The committee are desirous that your reply shall give a full expression of your views and not be restricted to merely answering the questions categorically. It, however, should be confined to your specific business and expressed as concisely as possible.

Publicity will not be given to names or locations of business if you so desire.

Please make your reply on the inclosed blanks and return it in the accompanying envelope.

Very respectfully,

D. W. VOORHEES,  
*Chairman, U. S. Senate.*

[No. 2—IMPORTERS.]

## CIRCULAR LETTER OF INQUIRY.

COMMITTEE ON FINANCE, U. S. SENATE,  
*Washington, D. C., December 20, 1893.*

MY DEAR SIR: In former years when the question of the tariff was uppermost in the consideration of the people, circular letters were addressed to merchants, importers, and others, making inquiries as to the character and amount of their business, prices and wages paid, rates of import duties, etc. This was notably the case in 1845, under the direction of Secretary Walker; in 1882, through the tariff commission, and in 1885, under the direction of Secretary Manning.

The replies to such interrogatories furnish valuable statistics and other data, and materially aid in legislating upon the subject of customs duties.

With a view to securing such information the Committee on Finance submit to you the following questions, which, they trust, you will formulate replies to, adding such general or special matter as you may be possessed of, and which, in your judgment, will be of value to the committee:

1. State the name or names of firms you represent.
2. State the character of goods imported.
3. State the cost of their production in the country of manufacture.
4. Give the rates of duty on your importations.
5. State with what character of domestic goods your imports correspond.
6. Give the wholesale price of your goods in domestic markets, less all discounts.
7. What changes were made in the rates of duty on your goods by the tariff act of 1890; and if, the change was made from ad valorem to specific duty, what was the ad valorem equivalent for each year, 1891, 1892, and 1893, for the new specific rates?
8. State whether the cost of goods imported by you, excluding freight, commission, and duty, has increased or decreased since 1890, and what per cent of increase or decrease (estimated on the cost of 1890) has taken place to date.
9. State your opinion as to the conditions necessary to be maintained in the United States to make it an exporting country of the same goods that you import.
10. State your opinion as to whether or not goods such as you import can be manufactured in the United States without a reduction of wages.
11. State whether or not the articles you import have ever been exported from this country to the countries from which they are now imported, and when and in what quantity.
12. State what difference there is between the price made for export on the goods you handle and the wholesale price made for the local market at the point of production.

13. State the retail and wholesale price of the goods at the point of production, and the retail and wholesale price of the same goods in the United States for the years 1884, 1890, 1892, and the date of your answer.

14. On what terms are goods generally sold?

15. State whether you are a manufacturer's agent, a consignee, or a purchaser.

16. What commission is paid you for handling goods?

17. Please give the average rate of interest in the country of production of your goods.

18. Give the wages paid there for the past three years for skilled and unskilled labor.

19. State whether an ad valorem or a specific rate of duty is desired, and why.

20. State whether duties are most likely to be evaded under an ad valorem or under a specific duty.

21. Please give, if possible, a description of the mode of living and expenditures for two or more families of skilled laborers employed by the concerns manufacturing the goods which you represent, stating the location of such families.

22. State whether free trade or protection exists in the country of manufacture.

23. Give the amount of imports and value of your goods yearly for the past four years.

24. How do you manage to compete with domestic productions?

25. Please give for a period of ten years the cost of transportation, from point of manufacture to destination, in this country.

26. So far as your knowledge extends, which of the European countries has been most prosperous during the past twelve months, and to what cause was such prosperity, if any, due?

27. Have you any suggestions to make concerning the administrative features of the customs laws?

The committee are desirous that your reply shall give a full expression of your views, and not be restricted to merely answering the questions categorically. At the same time it is desired that your answers shall be confined to your own business, and be stated concisely.

Publicity will not be given to names or location of business, if you so desire.

Please return your answer in the accompanying envelope.

Very respectfully,

D. W. VOORHEES,  
*U. S. Senate, Chairman.*

## SCHEDULE F.

(Continued.)

### TOBACCO, AND MANUFACTURES OF.

#### LEAF TOBACCO, CIGARS, CIGARETTES, ETC.

(Continued.)

Present law: 242. Leaf tobacco suitable for cigar-wrappers, if not stemmed, two dollars per pound; if stemmed, two dollars and seventy-five cents per pound: *Provided*, That if any portion of any tobacco imported in any bale, box, or package, or in bulk, shall be suitable for cigar-wrappers, the entire quantity of tobacco contained in such bale, box, or package, or bulk shall be dutiable; if not stemmed, at two dollars per pound; if stemmed, at two dollars and seventy-five cents per pound.

Proposed law: 184. On all leaf tobacco, on such part thereof as is wrapper tobacco and suitable for cigar wrappers, if unstemmed, one dollar per pound; if stemmed, one dollar and twenty-five cents per pound.

Present law: 243. All other tobacco in leaf, unmanufactured and not stemmed, thirty-five cents per pound; if stemmed, fifty cents per pound.

Proposed law: 185. All other leaf tobacco, if unstemmed, thirty-five cents per pound; if stemmed, fifty cents per pound.

Present law: 246. Cigars, cigarettes, cheroots of all kinds, four dollars and fifty cents per pound and twenty-five per centum ad valorem; and paper cigars and cigarettes, including wrappers, shall be subject to the same duties as are herein imposed upon cigars.

Proposed law: 188. Cigars, cheroots and cigarettes, of all kinds, including wrappers, three dollars per pound and twenty-five per centum ad valorem.

No. 4267.

*Reply of B. L. Livingston, of Baltimore, Md., manufacturer of cigars and cigarettes.*

[Established 1874. Capital invested, \$3,000.]

I average \$8,000 a year (cost price). Since July, 1893, there have been no orders.

To place domestic productions on an equal footing with the foreign product one-half the estimated entire cost of labor of the domestic article should be added as duty on the imported, so as to protect labor, and, to some degree, the manufacturer. But all raw material that does not require any preparation before shipping should, in my opinion, be entered free.

In regard to reducing the rates of duty one-third, would say the reduction necessary in cost of manufacturing would depend on the foreign wages.

The article I sold in 1884 for \$3.50 I sold in 1890 for \$2.50, and have not changed since.

We are feeling the heavy heel of the domestic trusts more than foreign competition.

I desire ad-valorem duty. A specific duty has to be naturally low to admit cheaper grades, and the consequence would be that they would import only the finer grades and let us make the cheaper ones, and for these be at the mercy of the domestic trusts. No, no justice!

I am not producing as many goods now as in 1892. No orders.

Wages have been lower since the tariff act of 1890 went into operation.

The estimated cost of living for one family (of four): Rent for one month, \$6; coal and light, \$4; eatables, \$18; clothes, \$6; medicine, \$1; furniture, \$1. But this does not include insurance, lodges, entertainments, traveling, or Peter's pence.

I have no difficulty in construing the present law.

Vegetables have decreased, but wearing apparel, coal, and some drugs increased about 20 to 25 per cent.

The cause of the depression is thus: The Republican party having been in power for thirty years came in possession, by their selfish legislation and holding office, of the bulk of the wealth of this country; by that they control the industries of this country, and whenever they get defeated they stop, through some pretended cause, the industries of this country, to thereby scare, intimidate, and force the poor workingmen to put them back in office and power.

Second. The immigration law allows too many cheap laborers, fortune seekers, and capitalists to come here who create these blamed trusts and syndicates.

To keep the Republican party out of power forever, if possible (as they are too selfish), and let the Democratic (the true people's) party change the immigration laws so as to admit only such people who are forced to leave their country on account of their religion or political crime against potentates only, and such laborers as are necessary to establish new industries, providing they first procure a permit to enter from the Secretary of the Treasury on application, when proof to his (the Secretary's) satisfaction has been furnished. No fortune-seekers or foreign aggregated capital or syndicates to be allowed here, as they bring with them their traits and habits of forcing prices up and labor down (and there is the rub). When labor has to take less and pay more he is forced to forego certain things; first, habits, then necessities, that naturally cause and start a stagnation in trade that eventually affects everybody.

Stop the immigration as aforesaid for five years as an experiment to see the effect of it and pass such a tariff law or bill that shall protect the labor first and the manufacturer to such an extent of the difference of the cost of living in this country for such a person, and tax the income of the foreign syndicates or capital invested in trusts 5 per cent per annum, and if more revenue is necessary put it on whisky, paper, cigarettes, playing cards, and perfumery.

I am making cigarettes and am able to speak intelligently on the cost to the manufacturer of 1,000 cigarettes, as follows: The making (by machine), 15 cents; tobacco, 50 cents; boxes, 15 cents; paper, 3 cents; packing, 6 cents; tax, 50 cents; and rent, steam, office expense, and all other 50 cents, which is a high estimate per 1,000 cigarettes; total, \$1.89. They are sold to retailers at \$3.80, the jobbers they receive 30 cents per 1,000 for selling them and the trust gets \$3.50, less 2 per cent in ten days nets them \$3.43, net cost of production, \$1.89; real net profit, \$1.54. Now if you would raise the tax by \$1 they would still make a profit of 54 cents on \$1.89, which is more than 25 per cent, and it would perhaps stop them from giving away premiums of obscene pictures to demoralize the young boys, and other articles to stop honest competition and labor. As the trusts own all the machines the competitors would be obliged to employ hand labor, but could still successfully compete, and if more revenue is necessary start with 1 per cent on native capitalists' incomes and raise it at times according to the necessities of the Govern-



ment economically administered. That in my opinion will stop the formation of new trusts, and may destroy these that already exist. It will give everybody an equal chance to labor, and when labor is employed the demand for everything creates itself, the ball is kept a rolling, and trust and poverty is banished from our land.

Tobacco, paper, and drugs are my raw materials.

My goods are both luxuries and necessities.

I pay 6 per cent on loans.

Immigration decreases the cost of manufacture.

Our labor is all fair in my line.

I employ at present only 2 men; they work piecework at fair prices; they average \$10 per week.

Forty-eight hours (48) per week are my hours of labor.

None of the foreign articles enter into competition with my goods.

I export about 10 per cent of my goods at same price as for domestic trade.

The cost of manufacturing has decreased 30 per cent since 1883.

It has decreased 10 per cent in labor, 20 per cent in materials.

Selling prices have not changed since 1890.

Rice paper pays a duty of 70 per cent ad valorem.

Yes, if raw material were free there would be necessity for a duty on imported articles equal to the difference in wages.

What I sold in 1884 for \$3.50 I sold in 1890-'92 at \$2.50.

---

No. 4268.

*Reply of Charles E. Duttonhofer, of Lancaster, Pa., manufacturer of cigars.*

[Established in 1884. Capital invested, \$3,000.]

My annual amount of production is 225,700 cigars; value, \$4,514, at an average of \$20 per 1,000. This is an average of my business since my existence.

I have been running less time since January 1, 1894. Why? Because all other business has stopped, and that will make us suffer. Demand has ceased, owing to the Wilson bill.

I have a retail store with my factory, and sell nearly all my production there. The price of my goods since 1884 up to date has been practically the same.

To my knowledge there has been an increase in domestic competition. I desire a specific duty on our articles. Why? As that would make it a fixed price.

I am not manufacturing as many goods as in 1892. Why not? Because the men are not smoking as much as they did when all business was working and they had the money.

The wages have been the same in my factory but with less work; that is, they are piece-workers and when they work a full week they make the same.

The cost of living for skilled workmen is, as near as I can give it, \$9 per week; \$4 for rent and \$5 for living expenses.

I would suggest to keep the duty on manufactured goods in comparison with the duty on leaf. I would further suggest a reduction of duty on Sumatra leaf wrappers.

In conclusion, I would appeal to you for no increase of revenue on our manufactured cigars, as that would give the consumer an inferior article for the same money, as our business is done on small profits.

No. 4269.

*Reply of ———, of ———, manufacturer of cigars.*

[Name and location withheld by request.]

[Established in 1881. Capital invested, \$3,000.]

The number of cigars manufactured in 1890 was 371,700; in 1891, 382,450; in 1892, 371,050; in 1893, 310,750; average value, \$25 per 1,000.

Since last fall I have been working less than half time. Money is scarce and general business defective.

To place domestic productions on an equal footing with the foreign product the rate of duty should be 35 cents ad valorem or \$10 on Sumatra wrappers. Keep it out altogether or give us a chance to work it at a profit.

My domestic wholesale price is the same, with much less profit at present.

There has been no increase of competition that I know of, but favor the present duty on foreign cigars.

I desire an ad valorem duty on Sumatra No. 1.

I am not producing as many goods as in 1892; because of no money and no business, and the uncertainty of Government affairs.

I favor the present duty on imported cigars.

Present depression in business is due to stringency in the money market. Give us more silver.

Leaf tobacco is my raw material.

My goods are both luxuries and necessities.

I pay 8 per cent on loans.

My labor is five-sixths skilled.

I employ 5 men and 1 boy. Pay about \$9 per 1,000.

My hours of labor are twenty-four per week at present.

Cost of manufacture has increased since the tariff law of 1890 passed.

The increase has been on materials and labor.

No. 4270.

*Reply of Emil Stork Cigar Manufactory, of New York City, manufacturers of cigars.*

[Established in 1868. Capital invested, \$3,000.]

We have run less than half time during past two years because of the general uncertainty of business on account of tariff agitation.

An ad valorem duty is not good. The duty on cigars and tobacco before the present law came into operation was best for my interest.

Wholesale prices do not change much.

Domestic competition has increased; I do not know about foreign.

We desire a specific duty because it puts the business on a more solid basis.

There has been a downward tendency of wages during past twelve months.

The cost of living of families of skilled workmen is \$12 per week.

Put on such a tariff as we had before and drop it out of politics. A staple tariff is what the country wants.



## No. 4271.

*Reply of Ph. Steinmuller & Son, of Baltimore, Md., manufacturers of cigars.*

[Established in 1869. Capital invested, \$3,000.]

We make an average of 135,000 cigars per year, valued at about \$5,000.

We have run less than full time during past year, owing to decreased demand.

The class of cigars we manufacture do not come in competition with the foreign article.

No reduction in cost of manufacture is necessary if duty is reduced one-third.

Domestic price, 1884, from \$20 to \$60 per 1,000; 1890, \$20 to \$60; 1892, \$18 to \$55.

There has been a slight increase in domestic competition.

We believe in an ad valorem duty, as being more equitable.

We are doing about the same amount of business as we were in 1892.

Wages are stationary, owing to the influence of the Cigar-makers' International Union.

Price of living has increased probably 10 to 15 per cent in past four years.

Cause of depression in business is tariff agitation. Remedy is a speedy adoption of the Wilson bill or something better.

Our raw material is leaf tobacco.

The goods are luxuries.

We pay 8 per cent on loans.

In some instances, wages have been depressed by immigration, through the employment of Russian Jews, and but for the influence of the cigar-makers' union wages would be much lower.

We employ all skilled labor.

We will not be affected if duty is reduced.

We employ 4 men and 1 boy. Average wages are from \$7 to \$12 per week. They work forty-five hours per week.

There is no foreign competition with our trade.

None of our goods are exported.

Cost of manufacture has increased in four years in materials, owing to increased duty on Sumatra tobacco.

Selling prices have decreased since 1890.

We import Sumatra leaf; specific duty, \$2 per pound; Havana, 35 cents.

There would be necessity for customs duty on cigars with free raw material for the simple reason that there are a lot of fools in this country who believe that anything imported is superior to the domestic article.

---

No. 4272.

*Reply of William Brandt, of Chicago, Ill., manufacturer of cigars.*

[Established in 1871. Capital invested, \$3,000.]

I make 5 and 10 cent cigars.

The last two years I have worked 2 men.

I think 35 cents is enough duty on Sumatra, so small manufacturers can compete with large manufacturers.

Very little reduction would have to be made in cost of production if duty is reduced one-third.

Have noticed no increase in competition the past four years. I am not manufacturing as many goods as in 1892, because the Sumatra tobacco is too high for small manufacturers.

Wages in Chicago are too high.

I have not had any difficulty in understanding the existing law in regard to importations.

Cost of living has not changed during past four years.

My impression is that Congress should settle the tariff bill as quick as possible.

My goods are necessities.

I pay 7 per cent on loans.

Immigration does not affect my business.

Have 1 skilled laborer employed. I pay 1 man from \$15 to \$18.

My hours of labor are forty-eight per week.

To a small extent foreign articles compete with mine.

None of my goods are exported.

The cost of manufacture has increased on material and labor since 1883.

Selling prices since 1890 have decreased.

Most all my component materials are of agricultural production.

I pay a duty on Sumatra of \$2 a pound; Havana, 35 cents.

The Sumatra ought to be imported for 35 cents a pound, and I would recommend that there be a high license on manufacturing and retailing

---

No. 4273.

*Reply of S. W. Henry & Bro., of Dallas, Tex., manufacturers of cigars.*

[Established in 1883. Capital invested, \$3,000.]

Our average annual output is 250,000 cigars; value, \$10,000.

Our regular force has been employed during past four years.

There should be a duty on imported cigars sufficient to protect us.

The specific duty of \$2 per pound on wrappers is burdensome. We recommend the old duty of not over 75 cents per pound, as there is no good substitute in this country for imported wrappers, either Sumatra or Havana.

In regard to reducing the rates of duty one-third, there would have to be a greater reduction than one-third in cost of home products, as preference is always given the imported article.

As to domestic wholesale prices of goods in 1884, \$40 per 1,000; 1892, \$35 per 1,000; 1894, \$35 per 1,000; average reduction.

We have had increased competition at home.

We prefer a specific duty on raw material. In order to compute cost of goods, we would like an ad valorem duty on cigars.

The output of goods now, compared with 1892, is about the same, but at smaller margin of profit.

The tendency of wages during past twelve months has been downward.

Average cost of living, man, wife, one child, \$50 per month. Steak, 10 to 15 cents per pound; Irish potatoes, \$1 to \$1.50 per bushel.

Have no difficulty in construing existing law in regard to importations.

There has been no change in cost of living during past four years.

Cause of present depression is the silver and tariff agitation.

Ninety-five per cent of our component materials are raw.

Our goods are luxuries.

We pay the rate of 10 per cent on loans.

Tenement-house cigars are made principally by ignorant Russian Jews, and this is unfair competition resulting from immigration.

Ninety per cent of our labor is skilled.

Reduction of duty on goods must be met by reducing wages and by using molds.

We employ 8 men, 2 boys.

Our hours of labor are 48 per week. Skilled labor is paid \$16 per week; unskilled boys, \$3.50 to \$4 per week.

Foreign competition is very strong in our line.

None of our goods are exported.

Cost of manufacture has increased 10 per cent since 1883 on imported raw material.

Selling prices since 1890 have decreased.

Products of agriculture consumed by us consist of 50 per cent domestic tobacco.

The component materials of our manufacture, and rates of duty thereon, Sumatra wrappers, specific duty, \$2 per pound; Havana fillers, 35 cents per pound.

Free raw material would not relieve the necessity for duty on manufactured article.

We recommend a return to the former specific duties on raw tobacco before the tariff of 1890 took effect, leaving the duty on imported cigars

---

#### No. 4274.

*Reply of Charles Hellweg, of Pierce City, Mo., manufacturer of cigars.*

[Established in 1876. Capital invested, \$3,000.]

I make 5 and 10 cent cigars, straight seed, and seed and Havana goods. Output is an average of 160,000 cigars per annum at an average of \$33 per 1,000.

Last year, from May, 1893, up to present date we have run on short time because I could not use Sumatra at \$2 a pound duty and compete with cheap labor.

Should be a duty on Sumatra of 35 cents, on Havana 35 cents, on cigars \$3 per 1,000, because we can then compete with all foreign competition.

In regard to reducing the rates of duty, one-third reduction in cost of production will be necessary by all means.

There has been the same price on my goods since 1884.

There has been some increase of competition in my line.

I prefer specific duty by all means and we can figure accordingly and not be subject to a rise and fall.

I am not manufacturing as much as in 1892, owing to the depression in trade and increased competition.

Wages have been the same, but working time is less.

There has been no change in cost of living during past four years.

My goods are both necessities and luxuries.

I pay 12 per cent on loans.

Immigration has had no effect that I can see on my business.

All of my labor is skilled.

Can not meet any reduction in duty, as living margin is low enough already.

I do not export.

Cost of manufacturing has increased double since 1883 in both material and labor.

Selling prices since 1890 have remained the same.

A duty of one-third on manufactured articles is necessary even with free raw material.

To make a long story short, we want a specific duty of 35 cents on all Havana and Sumatra imported, and a \$3 tax on domestic cigars and \$6 on imported cigars.

---

No. 4275.

*Reply of August Glahn, of Fulton, Mo., manufacturer of cigars.*

[Established in 1889. Capital invested, \$2,500.]

My yearly amount of production averages 150,000 cigars.

I am running less than full time for lack of business. Cause—general depression.

To place domestic productions on an equal footing with the foreign product the rates of duty should be on all tobaccos in leaf 50 cents per pound. That would protect all small manufacturers, and not be in the interest of trusts.

In regard to reducing the rates of duty one-third, it is necessary to have leaf on free list. Free leaf and duty on manufactured cigars would be to the interest of our workmen.

As to domestic wholesale prices of goods: In 1890, \$32.37; in 1892, \$37.69; under the Wilson bill agitation, \$36.79.

There has been no increase of competition in my line.

I desire a specific duty. It would protect the laboring man.

I am producing about the same amount of goods as in 1892.

There has been no change in the schedule of prices which are made out by Cigar Maker's Union. Difference is paid by consumer in inferior quality of tobaccos used in cigars to make up.

My workmen are all single men who board at \$4 per week with at least \$1 for laundry. They spend all they make.

In my opinion keep the duty on cigars, but admit all leaf tobaccos at 50 cents per pound.

Cost of living has increased in every particular except for bread.

Present depression in trade is due to overproduction—not sufficient market for our productions.

Leaf tobacco is my raw material.

Cigars are luxuries to some and necessities to others.

I pay 8 per cent on loans.

Immigration has had no effect on my business.

All of my labor is skilled.

Reduction of duty on goods must be met by lowering the quality of tobacco used in manufacture; the consumer loses in quality of tobacco he gets for his money.

I employ 3 men at \$11 per week; now 1 boy at \$3 per week now.

My hours of labor are forty-eight per week.

Foreign competition affects us to a slight extent only. I am too far in the interior.

None of my manufactures are exported.

Cost of manufacture has increased \$5.32 per 1,000 since 1889, when I began, and before the present tariff went into effect.

The increase has been in material.

My selling prices have not changed since 1883.

Concerning consumption by us, directly or indirectly, of products of agriculture, before 1890, domestic, one-third; imported, two-thirds; since, one-eighth imported and seven-eighths domestic.

The component materials of my manufacture, and rates of duty thereon, are wrappers, \$2 per pound; fillers, 35 cents. Would like to have it all leaf at 50 cents per pound.

With free raw material a duty is necessary on the manufactured article to protect the wage worker only.

Reduce duty on all leaf tobacco to 50 cents per pound.

---

#### No. 4276.

*Reply of Frederick Young, of Camden, N. J., manufacturer of cigars.*

[Established in 1888. Capital invested, \$2,500.]

I manufacture 150,000 cigars per year; value of product, \$4,500.

With free raw material no duty would be needed to compete with foreign producers.

If the rate of duty were reduced one-third, no reduction would be necessary in production.

Selling price of goods about the same as the past five years.

There has been an increase of competition during the past four years.

I don't desire any duty; straight free trade.

I am not manufacturing as many goods as in 1892; the reason is too much taxation.

Wages are going down.

Cost of living is according to what they make; \$9, \$10, \$11 per week.

My suggestions in regard to the duties in the cigar line is to reduce them as low as you possibly can, for the high duties at present are driving the small manufacturers out of business and centralizing it in the hands of the large manufacturers, who are always asking for more taxes. It is harder for a man with limited means now to go into business than it ever was, for the cost of the raw material under the tariff of 1890 is so high that only the large manufacturers can buy it in regular lots, and the small manufacturer can only buy it in small quantities, and is then forced to pay another increased price. I hope you Democrats will stand firm on the Chicago platform, which says that protection is a fraud and a robbery.

No. 4277.

*Reply of Reber Cigar Company, of Portland, Ind., manufacturers of cigars.*

[Established in 1885. Capital invested, \$2,500.]

Amount of production is 200,000 cigars yearly; value, \$6,000.

Have worked less than full time for a few months on account of dull times.

To place domestic productions on an equal footing with the foreign product the rate of duty should be 50 cents a pound, specific duty on leaf tobacco so we can use it.

Domestic wholesale price was \$30 per 1,000 from 1884 to 1894.

There has been an increased competition.

We desire a specific duty because of fraud under ad valorem.

We have not been manufacturing as many goods as in 1892 on account of dull times.

There has been a reduction in wages during past twelve months.

Cost of living of families of skilled workmen is about \$400 a year.

We can not compete with large manufacturers.

Price of living has not changed during past four years.

Cause of depression is the discussion of the tariff. Remedy, pass the pending bill.

My goods are necessary to make a living, and a luxury to use them.

We pay 8 per cent on loans.

Immigration has no effect on our business.

Our labor is one half skilled.

Can not meet any reduction of duty on goods we manufacture.

We employ 2 men, skilled labor, \$6 per 1,000. They work fifty-five hours per week.

We have no foreign competition except in high-grade cigars.

None of our goods are exported.

Cost of manufacture has not changed since 1883.

Selling prices have decreased since 1890.

The dutiable materials used in our manufacture, and rates of duty thereon are Sumatra, \$2; Havana, 35 cents.

Wholesale price is \$30 per 1,000, a decrease since 1892.

I recommend a specific duty of 50 cents on leaf tobacco.

No. 4278.

*Reply of Walter F. Fister, of Hamburg, Pa., manufacturer of cigars.*

[Established in 1888. Capital invested, \$2,000.]

Amount of production is about 300,000 cigars per year, ranging in price from \$13 to \$65 per 1,000.

I have run less than full time. There has been a continual decrease of trade for the last two years and, to the best of my knowledge, through some clauses in the present tariff.

I desire an ad valorem duty of at least \$2 per 1,000, which I think would bring the imported goods on a level with goods made in this country, as there is about that difference in the price of labor in the grades of goods imported.



With goods made of imported tobacco, I could not compete with the importer with the duty on tobacco reduced.

The average of domestic goods in 1890 and 1892 was about \$14 per 1,000; at present about \$13.

The domestic competition has increased very much; the prices of cigars are even less now than four years ago, and imported tobacco much higher than before the passage of the tariff of 1890, and although the prices on some of our domestic tobaccos are lower than before the present tariff, it is not enough to leave us a fair margin.

I desire an ad valorem duty, as I experience the injustice of a specific duty every day in our internal revenues, as we pay the same revenue duty on cigars that sell for \$12 per 1,000 as on goods that sell at \$65 per 1,000. I am not making as many goods as in 1892, because of depression in business.

Wages are about the same and the cost of living is about the same. The present depression in business, in my opinion, the result of our present tariff and the Sherman silver bill. My remedy would be to have a duty for revenue only on goods in which foreign manufacturers undersell us and on luxuries.

Our raw material is unstemmed leaf tobacco.

In my opinion our goods are neither luxuries nor necessities.

We pay the rate of 6 per cent on loans.

Immigration has not hurt my present business, but it deprived me of what I considered a fair living as a cabinetmaker, as wages in these parts at least would be \$1 per diem higher were it not for the extensive immigration.

The cost of manufacture has increased about \$5 per 1,000 in material since 1883.

Selling prices since 1890 have decreased.

Our consumption of products of agriculture consists of about 5,000 pounds of tobacco.

We import Sumatra and Havana tobaccos, on which the specific duty is \$2 and 35 cents, respectively, per pound.

As to necessity of duty on cigars with free raw material, I don't think there would be such need.

The prices are about the same on goods with imported stock, but on domestic goods have decreased since 1892.

I would recommend a small duty for revenue only, as the imported goods consumed in my business can not be produced in this country, and will be used so long as there is no prohibitory duty.

---

No. 4279.

*Reply of H. F. Sarman, of Jefferson City, Mo., manufacturer of cigars.*

[Established in 1882. Capital invested, \$2,000.]

I am glad to have an opportunity to answer the questions asked in your circular, and if every manufacturer had energy enough to write and answer questions you would receive a car load of letters asking for a reduction of 150 per cent on tobacco.

Bull. 34—2

Our product of cigars has been as follows:

1883.....	120,000	1889.....	241,900
1884.....	130,000	1890.....	181,600
1885.....	133,000	1891.....	189,000
1886.....	130,000	1892.....	169,000
1887.....	140,000	1893.....	135,400
1888.....	180,550		

Of the above goods, about one-fourth were seed and Havana cigars; the remainder were made of domestic tobacco.

We ran less than full time during 1893, after the Sumatra tobacco was worked up that I had purchased before the present tariff went into effect. For then all cigar manufacturers in the West were obliged to use domestic wrappers, which are not as good, and the monopolistic cigar manufacturers that had a fortune invested in Sumatra could out-sell us.

We want no duty at all. Give us free tobacco, and we can manufacture goods at less cost than any nation on earth.

The selling price has not changed, but the cost of cigars per 1,000 has increased just the difference that the tariff of 1890 raised the duty on Sumatra. Counting 3 pounds of wrappers to 1,000 cigars, it is just \$3 per 1,000 increase.

I don't think competition has increased.

I don't want anything, only a chance to trade with whom I please, and anywhere I please, without interference by the Government, or any one else. I want absolute free trade, and no favors; paupers need protection.

I am not manufacturing as many goods as in 1892, because the tariff robs me in the first place, and others, that is, producers, are unemployed to a greater extent than in 1892. The common laborer produces the same, but gets less of his production, because the land-owner is enabled to withhold more of his production. The producer pays all tariffs and taxes, because the man that don't work and gets rich must steal.

I worked 3 hands from 1883 to 1889, when I employed 6; since then I have employed 3, until this year, and now I work 2. They report the cost of ordinary living to be \$340 per annum.

Immigration does not in the least affect my business.

Price of living has increased, if anything, during the past four years.

Causes of the present depression are land monopoly and tariffs. Adopt free trade in its full sense and apply the single tax, as advocated by the Hon. Tom L. Johnson. Make all men free and all unused land free.

Our raw materials are, in my factory, tobacco before it is stemmed.

My goods are luxuries.

I pay 8 per cent on loans.

The effect of immigration is nothing to me. To the workmen it means more competition.

All my labor is skilled.

If the duty is reduced I will have the amount reduced at the end of the year as profit.

I employ 2 men at union prices, of from \$9 to \$15 per 1,000.

They work forty-eight hours per week.

There are no foreign competing articles in this section.

I do not export.

Cost of production has changed \$3 per 1,000 since 1883.

Selling prices since 1890 the same.



The duty is one-half of the selling price of tobacco, or \$3 per 1,000 cigars.

There would be no necessity of duty on cigars with free raw material.

For the present adopt the Wilson bill, kill the income-tax bill, and adopt Judge Maguire's single-tax bill. This will give you more revenue than any other system imaginable.

---

No. 4280.

*Reply of E. Fitzsimmons & Bro., of Mason City, Iowa, manufacturers of cigars.*

[Established in 1891. Capital invested, \$2,000.]

We manufacture from 150,000 to 200,000 cigars, one-third of imported goods. Value, \$7,500. About the same for each year.

We have been running about one-third the time during the last year, owing to the scarcity of money.

To place domestic productions on an equal footing with the foreign product the rate of duty should be about 40 per cent, because it would take that amount to equalize the present duty on leaf tobacco.

In regard to reducing the rates of duty one-third, we could sell \$1 per 1,000 less, taking the \$3 duty basis which we now pay.

Goods in 1884 were sold from \$2 to \$3 higher than they are at the present time.

There has been more home competition in domestic goods than foreign.

We desire a specific duty because it is more uniform and not so easily evaded.

We are not manufacturing as many goods as in 1892, owing to pending legislation.

Wages are about \$2 a day.

Our men spend all they make.

We have no difficulty in construing the existing laws in regard to importations.

We would suggest a uniform duty on all raw material from 35 to 50 cents per pound.

Cost of living has decreased 20 per cent in past four years.

We want free raw materials for anything we can't produce here.

Our raw materials are imported unmanufactured tobacco.

Our goods are luxuries.

We pay the rate of 8 to 12 per cent on loans.

Immigration has had a tendency to cheapen the price of labor.

Our labor is all skilled.

If duty is reduced we will produce better goods for the same money.

We employ 5 men. Skilled labor is paid \$10 to \$14 per 1,000; ordinary, \$7 to \$9.

Our hours of labor are forty-seven per week.

We have competition with higher-class grade of imported goods. Don't know to what extent.

None of our goods are exported.

Cost of manufacturing has decreased \$1 per 1,000 since 1883 in both material and labor.

Selling prices have decreased since 1890.

About one-third of our component materials are dutiable, from 35 cents to \$2; specific duty.

Free raw material would not relieve the necessity for duty on manufactured article.

The quality of goods manufactured was better in 1892. Prices have decreased.

Would recommend a uniform duty of 35 to 50 cents per pound on raw imported material, and retain 40 per cent ad valorem duties on manufactured cigars. Would also suggest that immigration should be restricted to unskilled labor, such as Italians and coolie labor.

---

No. 4281.

*Reply of G. Hammond, of Columbus, Ga., manufacturer of cigars.*

[Established in 1877. Capital invested, \$2,000.]

I use Havana and domestic tobacco only; no Sumatra used. I make from 150,000 to 200,000 cigars annually, at \$15 to \$35 per 1,000.

Have never run on half or any but full time.

In order to put me on equal footing with foreign production, a tax of \$1.32½ per 100 should be placed on imported cigars of same class as mine, because I pay \$1.10 to \$1.25 for imported tobacco, while they only pay 50 or 60 cents per pound.

If the rate on tobacco were only reduced one-third it would benefit me just that much.

Wholesale prices of goods have not varied in years.

There has been a very large increase in domestic competition.

It is immaterial what kind of duty we have so it is collected properly.

We are producing more goods now than we did in 1892.

The tendency of wages during past twelve months has been stationary.

Cost of living of skilled workmen is very high.

We have a great many difficulties in construing the existing laws, and would suggest that they be simplified so that it does not take an old custom-house man to understand them.

Cost of living has neither increased nor decreased in four years.

All of my component materials are raw.

Our goods are both luxuries and necessities.

We pay the rate of 8 per cent on loans.

Immigration has no effect on our business.

Two-thirds of our labor is skilled.

Reduction of duty on goods must be met by selling for less.

We employ 1 man, 5 girls; from \$6 to \$8 per 1,000 cigars.

They are employed fifty-four hours per week.

Foreign articles of like kind enter into competition, but do not know to what extent.

None of our goods are exported.

The cost of manufacture has increased in material since the tariff act of 1890 was passed.

Selling prices have not changed since 1890.

We use twice as much domestic tobacco used as imported.

The dutiable materials used in our manufacture is Havana tobacco, which pays a duty of 35 cents.

As to necessity of duty on cigars with free raw material, most assur-

edly there would be. If you will notice the difference in cost to me and the foreign competitor, you will see it at once.

Wholesale prices have increased from 40 cents to \$1 per pound.

Wipe from the statutes the "war tax" or so-called revenue laws. They are more costly than anything else, and are a relic of war. The revenue should be derived from raw material, for I and the consumer pay it, not the producer.

---

No. 4282.

*Reply of John Stuckert, of Baltimore, Md., manufacturer of cigars.*

[Established in 1865. Capital invested, \$2,000.]

We produce from 125,000 to 200,000 cigars per year, valued from \$5,000 to \$8,000.

We have been running full time.

The duty on imported cigars under the present tariff I think necessary for the protection of American better-class cigars, even under the \$1 per pound duty of Sumatra wrapper in the Wilson bill. If reduction is made in the Wilson tariff bill on imported cigars, with the duty of \$1 per pound on Sumatra leaf, they will be able to undersell our goods of that class.

Of the class of American cigars that Cuba or Havana cigars come in competition with, by reducing the duty one-third, if they were made for nothing they could not compete with them; that is, the lower grade of imported cigars.

My hands average \$11 per week piecework, skilled labor.

We prefer a specific duty by all means, because all must pay a like duty. It is a fairer one. An ad valorem duty is most easily evaded.

My experience is that the Sumatra wrapper is the most salable on cigars, and \$1 per pound is enough duty. I find I can not do without it, and the past year has been a very busy one with me, but very poor in returns, and I can safely say that \$2 duty per pound has been the cause of poor results, as we can not get the increase caused by the \$2 duty. The most cigars used are 5-cent goods, and a duty of \$2 per pound on wrappers, making, after tariff costs, \$8 per 1,000 beside the internal revenue tax.

---

No. 4283.

*Reply of F. Fritz & Son, of Sigourney, Iowa, manufacturers of cigars.*

[Established in 1888. Capital invested, \$2,000.]

We made about 75,000 cigars first year, 100,000 second year, 150,000 third year, 250,000 fourth year, and 175,000 fifth year.

We have been running since last July with half the force previous on account of general depression of business.

There is no duty concerned which will put the domestic product on an equal footing with foreign; it is a matter of quality; this refers to raw leaf.

As to domestic wholesale prices of goods: 1890, \$25 to \$35 per 1,000 for 5-cent goods; 1892, \$25 to \$35; 1894, \$20 to \$40.

There has been an increased domestic competition.

We desire a specific duty because it is one of the hardest matters in the world to grade wrappers.

Wages have had a downward tendency during the past twelve months.

Price of living has not materially decreased during past four years.

Present depression in trade is caused by overproduction and no outlet for the surplus. Strike a happy medium on the money and tariff questions and don't go to extremes, and the sooner you do it the better.

Our manufactures are luxuries (necessary).

We pay duty on Sumatra wrappers and Havana fillers; on Sumatra \$2 per pound, on Havana fillers 35 cents. Reduce to 35 cents per pound (specific) and it will benefit the Government more and the manufacturer more than a higher duty. We can not use the domestic wrapper. One year it is good, the next not fit as wrapper stock. Sumatra never fails. If you will reduce the raw material to 35 cents per pound, specific, the middle and small manufacturers will be happy.

---

No. 4284.

*Reply of Bates & Zeh, of Middleburg, N. Y., manufacturers of cigars.*

[Established in 1891. Capital invested, \$2,000.]

Our yearly amount of production is about 250,000; value, from \$8,000 to \$9,000.

Have been running full time until the present winter. Have been working short time because we could not sell the goods.

The present rate of specific duty is necessary on cigars, as goods manufactured in Havana can be sold in this country for \$20 per 1,000 without the duty, and 100 per cent ad valorem duty would only make them \$40 per 1,000, while domestic manufacturers must sell the same class of goods for \$65 per 1,000 to do business.

In regard to reducing the rates of duty one-third, it would have to be taken from the wages of the workmen.

---

No. 4285.

*Reply of R. E. Grunther, of Burlington, Iowa, manufacturer of cigars.*

[Established in 1875. Capital invested, \$2,000.]

Price of cigars is from \$25 to \$100 per 1,000. We manufacture, from 30,000 to 150,000 per year.

I always have steady employment.

To place domestic productions on an equal footing with the foreign product the rates of duty should be a good tax on manufactured goods. I think 50 per cent would be a fair rate and would give our home producers more than an equal footing with the goods imported.

As to domestic wholesale prices of goods in 1884, 1890, and 1892, \$25, \$28, \$30, \$35, \$50, \$60, \$100 per 1,000.

There has been an increase of domestic competition.

I have no choice of duty.

I have had the same help for the last ten years.

I pay my men from \$8 to \$11 per 1,000 cigars.

A family of about 4 can live with \$6 per week.

My opinion is that on all goods that can not be manufactured or grown here a light tax would be sufficient, but protect our home manufacturer and grower to a certain extent.

---

No. 4286.

*Reply of Chas. Springer, of Mineral Point, Wis., manufacturer of cigars.*

[Established in 1888. Capital invested, \$2,000.]

I produce from 75,000 to 100,000 cigars each year. The value would be about an average of \$30 per 1,000.

We have decreased in working time the past two years. The cause was local and personal.

The prices have been uniform since I have been in business, so far as my experience goes.

I suppose there has been increased competition, but my personal experience has not found it perceptible as my business is too small.

I desire a specific duty in my business; ad valorem leaves opportunities for unfairness.

I am producing about the same amount of goods as formerly.

Wages have been considerably downward in this locality.

I do not compete with foreign goods.

The cost of living, from my personal experience has remained about the same.

The cause of the depression is the uncertainty in legislation. Pass a tariff bill as soon as possible; one with faults is better than none.

Leaf tobacco is my raw material.

My goods are luxuries.

I pay 7 per cent on loans.

I employ all skilled labor except apprentices.

The reduction of duty on goods will not affect me as the Wilson bill is understood, except to benefit me in a reduction on Sumatra tobacco.

I employ 2 men and apprentice. Wages will average about \$9 per week. They work about nine hours per day.

The foreign competing articles of like kind do not enter into competition with my goods.

None of my goods are exported.

The cost of manufacture in my own experience has been about the same since 1883.

My selling prices are about the same as in 1890.

The dutiable material I use is Sumatra tobacco, which pays a specific duty of \$2 per pound.

As to the necessity of customs duty on manufactured goods with free raw material, circumstances would make differences.

My own prices have been the same, but on Sumatra duty I have been the loser since 1890, to the extent that I have used Sumatra.

My opinion is that Havana filler is good enough as it is, and that Sumatra tobacco should be about \$1 per pound, as proposed in the Wilson bill.



No. 4287.

*Reply of Oswald Ullrich, of Ansonia, Conn., manufacturer of cigars.*

[Established in 1884. Capital invested, \$2,000.]

We manufacture per annum 100,000 cigars; value, \$3,500.

We have been running on short time since July last because of depression in business on account of tariff agitation.

If duty is reduced one-third an equal reduction in cost of production will be necessary.

As to domestic wholesale prices of goods in 1884, 1890, and 1892: Five-cent goods, \$25, \$30, \$35; 10-cent goods, \$50 to \$55. In 1892 same price.

Competition has increased.

I prefer a specific duty because it is more just.

I am not doing as much business as in 1892 because of tariff agitation.

There has been a reduction in wages the past twelve months.

Cost of living of family of five is per week \$15.

I am satisfied with the tariff law as it exists without any change.

Cost of living is the same as heretofore.

Tariff tinkering has caused present depression.

Leaf tobacco is my raw material.

My goods are both necessities and luxuries.

I pay 6 per cent on loans.

Two-thirds of my labor is skilled.

Reduction of duty on goods must be met by reducing wages.

Wages for skilled labor are \$12 to \$15; ordinary, \$5 to \$8 per week.

My hours of labor are eight per day, forty-eight per week.

I have competition with foreign goods to the extent of one-third.

None of my goods are exported.

Leaf tobacco is the agricultural product consumed in my manufacture.

Havana and Sumatra tobacco which I use pay duties.

I think a duty on imported cigars necessary even with free raw material.

I am opposed to any change in the internal revenue on cigars, as it would upset our business entirely. Leave it as it is at present.

No. 4288.

*Reply of J. E. Ehalt, of Greensburg, Pa., manufacturer of cigars.*

[Established in 1890. Capital invested, \$2,000.]

The value and amount of my production annually is 1,996,000 tobies, at a value of \$2,495.

I have made no decrease in working time during the past two years.

I desire the rate the Wilson bill provides for because Mr. Wilson has made a study of this, and has formed his opinion on facts, not theories; and I believe what he says.

If the rate of duty were reduced one-third there need be no reduction at all in the cost of production.

My prices average \$8.75, hand-made tobies.

There has not been an increased competition in my line of goods.

I desire ad valorem duty; it will prevent fraud.

I am producing as many goods as in 1892.

I have paid just the same wages as formerly.

I have no difficulty in construing the existing proposed law, and would suggest that it be passed as speedily as possible.

The cost of living has increased 15 per cent since 1890.

The cause of the present depression is the tariff of 1890. The immediate passage of the Wilson bill, at least the repeal of the existing law.

I have no raw material.

My goods are necessities.

I pay 6 per cent on loans.

Immigration has a very bad effect.

Ninety per cent of my labor is skilled.

I would have to meet the reduction of duty in the buying of my material.

Forty-eight hours per week are my hours for labor.

As to the foreign competing articles they do not enter into competition with my goods.

None of my goods are exported.

The cost of manufacture has decreased at least 5 per cent since 1883.

The decrease has been in labor.

My selling prices have decreased.

Nothing but what is produced in this country is consumed in our manufacture.

I pay no duty on my goods.

I have kept my prices just the same.

---

#### No. 4289.

*Reply of L. Littman, of Austin, Tex., manufacturer of cigars.*

[Established in 1887. Capital invested, \$2,000.]

I manufactured during 1893 about 100,000 cigars, nine-tenths of which were from domestic tobacco. Selling price was from \$20 to \$30 per 1,000. In previous years I manufactured from 50,000 to 70,000 of about the same selling value.

I have not put in full time those previous years.

No reduction in the cost of manufacture would be necessary if the rate of duty were reduced one-third.

The domestic wholesale price 1884, 1890, 1892, was \$20 to \$35 per 1,000.

There has been no increased competition in cigars, either foreign or domestic, the past four years.

I favor a specific duty to ad valorem, because the former leaves less opening to frauds.

I manufactured more in 1893 than 1892, but of cheaper grades, somewhat owing to high price of Sumatra tobacco.

The wages have been fair during the past twelve months.

The cost of living of skilled workmen is \$35 to \$40 per month including rents.

I have no difficulty in construing existing laws regarding importations in the class of articles I produce. While cigar manufacturers see the necessity of using imported tobacco, I favor the uniform duty of 50 cents on all fillers or wrappers, unstemmed leaf tobacco; stemmed, 65

cents per pound; scraps, 40 cents. This uniform rate would stop all difficulty or fraud in estimating size of leaf. It would be an advance of 15 cents on unstemmed filler and reduce the much wanted Sumatra wrapper \$1.50. I would be willing to risk such a rate for the good of all concerned, not omitting the grower of domestic tobacco.

Wages for the past three years have been from \$40 to \$60 per month.

I do not consider cigars a necessity, while many do.

The customary interest is 10 to 12 per cent.

Immigration is beneficial to trade.

I am employing 6 hands, of whom 3 are skilled.

The cost of manufacturing cigars with imported tobacco has increased since 1883.

Selling price increased on same since 1890, but not profit.

Duty on manufactured cigars is necessary for protection.

No. 4290.

*Reply of J. A. Hills, of McArthur, Ohio, manufacturer of cigars.*

[Established in 1883. Capital invested, \$2,000.]

Amount of my production has decreased since 1892. I have run on short time during last half of 1892. Depression of business in this locality is the cause of no orders. The duty on tobacco should be as the Wilson bill has it. Both to the manufacturers and growers the present law has it too high on Sumatra. I believe it will benefit all to pass the Wilson bill so far as the tobacco section is concerned.

Goods in this line vary as to quality of tobacco used. Prices remain the same, the change is in the quality of goods.

I don't believe there has been any increase in competition in the past four years.

I prefer a specific duty.

I am not manufacturing as many goods as in 1892. There is no trade to demand it, as the duty is too high on imported tobacco.

Wages have been just the same during the past 12 months, only not as steady work.

Pass the Wilson bill so far as the tobacco interests are concerned and it will benefit all.

There has been no material change in cost of living the past four years.

Lack of confidence in manufacturing of all classes and slowness of U. S. Senate to do business have caused uncertainty and depression. Remedy: Restore confidence, and let manufacturers know just what they intend to do.

Leaf tobacco is our raw material.

Our goods are luxuries and necessities.

I don't borrow. The usual rate is 8 to 10 per cent.

Immigration is detrimental to all business when the immigrants are paupers.

All of my labor is skilled.

Don't reduce the duty on manufactured goods; only on raw material.

I employ 10 men and 2 boys; all work by the piece. Wages are \$1.50 to \$2.50 per day.

Our hours of labor are fifty-four per week.



Foreign goods of like-kind will enter into competition with mine if you don't keep a duty on manufactured goods.

Cost of manufacture has increased since 1883 in materials and decreased in labor.

Agricultural products form about two-thirds of our consumption.

Havana and Sumatra tobacco used by me are dutiable under the present law.

I want the duty left as it is on manufactured cigars.

The Wilson bill is just what this business wants and the sooner you can pass it the better for all business.

---

No. 4291.

*Reply of Thos. B. Sturr, of Eaton, Ohio, manufacturer of cigars.*

[Established in 1873. Capital invested, \$2,000.]

There has been no change in wages.

The financial condition of the U. S. Treasury, lack of confidence, and the slow action of Congress have caused the depression.

My goods are luxuries.

I pay 8 per cent on loans.

Immigration has no effect on us.

My labor is one-half skilled.

I employ 25 men and women, and pay ordinary labor \$1 per day, skilled labor \$2 per day of eight hours.

With free raw material we would need a customs duty on cigars.

Prices are about the same. Trade is dull, caused by laboring men out of employment.

I would recommend a uniform duty on all leaf tobacco of about 75 cents per pound. I would also recommend an increase of duty on cigars from \$3 to \$6 per 1,000. This would not change the price to the consumer. Illustration: 1,000 cigars now cost \$12; they are sold 2 for 5 cents—can not sell 3 for 5 cents and satisfy the retailer. Add \$3 tax, making the cigars cost \$15 per 1,000. They will still sell 2 for 5 cents. You can double your tax on tobacco and cigars and the consumer get the same goods at the same prices as now. You can apply the rule on a 5-cent cigar; cost from \$18 to \$38 per 1,000; sell for 5 cents.

---

No. 4292.

*Reply of August Bartz, of Baraboo, Wis., manufacturer of cigars.*

[Established in 1880. Capital invested, \$2,000.]

An average of about 170,000 cigars are manufactured by me each year, at about \$30 per 1,000.

Have worked full time during past two years.

In regard to reducing the rates of duty one-third, the cost of production would have to come down a great deal, or we could not make them as cheap as foreign goods on account of wages paid.

Either put the duty so high that no one can use it, or down, so that it is within market price.

As to domestic wholesale prices of goods in 1884, 1890, and 1892: 1884, \$25 per 1,000; 1890, \$25 per 1,000; 1892, \$25 per 1,000; 1893, \$28 per 1,000.

Both foreign and domestic competition have increased.

I am producing more goods than in 1892.

I could have had labor cheaper during the past twelve months than ever before.

The cost of living of families of skilled workmen is about \$250 to \$300 per annum.

I think that if home trade was patronized it would be better for the country.

Cost of living has increased 25 per cent in the past four years.

To get that tariff bill passed through the U. S. Senate as quick as possible will be the best remedy for depression.

Our raw materials are all tobacco.

Our goods are luxuries.

We pay the rate of 7 per cent on loans.

Not any effect is felt by me from immigration.

All of our labor is skilled.

In event of reducing the rates of duty I will have to sell and lose money.

Not any women and girls are employed by me.

Hours of labor are sixty a week.

I have no competition with foreign goods of like kind.

None of my goods are exported.

Cost of manufacturing has increased in material since 1883.

Selling prices have increased since 1890.

Tobacco is the agricultural product used by me.

Duty on manufactured article is necessary even with free raw material.

Wholesale prices have been from \$25 to \$28 per 1,000.

---

No. 4293.

*Reply of Henry Salzemann, of Sleepy Eye, Minn., manufacturer of tobacco and cigars.*

[Established in 1888. Capital invested, \$2,000.]

I manufactured in 1888-'89, fourteen months, 200,000 cigars; valued at \$6,000; in 1890, 150,000; 1891, 100,000, and 1892 and 1893, 75,000 cigars.

Winter time and on account of small sales and poor collections I have run less than full time.

Put down the value of our money to the same rate as Germany and France, and the expenses of the laboring man the same as the above countries, then we can produce articles for the same money as Europe.

Take off the \$2 duty on Sumatra leaf and we can make a better cigar and pay better wages to cigar-makers.

They were \$20, \$25, \$30, \$35, \$50 to \$60 per 1,000 cigars all the time without change to date.

There has been an enormous increase in competition.

I do not desire any duty, because a man who is foolish enough to

believe a foreign cigar is better than a domestic one has got the money to pay for it, and any duty will make no difference.

I am not producing as many goods now, on account of hard times.

The cost of living for workmen is from \$6 to \$10.

I have no trouble at all in construing the present law.

The cause of the present depression is no money. Depression has to correct itself.

My goods to some are necessities, and to some luxuries.

I pay 8 to 10 per cent on loans.

Immigration has no effect at all on our business.

I employed in 1888 to 1893, 5 to 10 men and 2 girls.

I employ no one at present.

Foreign articles of like kind do not enter into competition.

None of my goods are exported.

There has been on each 1,000 cigars wrapped with Sumatra leaf \$6 to \$8 increase in cost since 1881.

The increase has been on materials.

Selling prices have decreased since 1890.

I consume in my manufacture 3,000 to 4,000 pounds leaf tobacco per year.

Duty is paid on Sumatra wrapper.

With free raw material I think we would need a duty on cigars.

I bought the same goods of Sumatra wrapper in 1888 for \$1.50 to \$2 a pound that I now buy for \$3.50 to \$4 a pound.

---

#### No. 4294.

*Reply of El Paso Cigar Manufacturing Company, Incorporated, of El Paso, Tex., manufacturers of cigars.*

[Established in 1892. Capital invested, \$1,800.]

We produced 226,325 cigars in 1892, valued at \$9,000; 125,075 cigars in 1893, valued at \$5,000.

We ran less than full time during the month of August, 1893, and since then with reduced force. Cause, want of trade.

To place domestic productions on an equal footing with the foreign product there should be no duty on leaf tobacco, but about 100 per cent on cigars, owing to the low price of labor abroad.

We would have to make a reduction of 25 per cent or more in wages of cigar-makers if the rate of duty on cigars were reduced one-third.

The average price of cigars of our manufacture in 1892 (from foreign leaf), boxed, stamped, and ready for delivery to customers, was about \$50 per 1,000. It is the same now.

We have a great deal of competition, on account of cigars smuggled in great quantities from Mexico.

We desire a specific duty, if any, uniform on all leaf tobacco, whether wrappers or filler leaf. The reason is, that foreign leaf in no way competes with domestic, as in the United States there are not the climatic conditions necessary to produce the equal of the foreign leaf.

We are not producing so many goods now. Cause, scarcity of money in circulation, nonemployment of labor, paralysis of the mining industry owing to low price of silver.

The tendency of wages is downward.

We have no difficulty in construing present law, but the collector of customs at this port has, on leaf, on account of the present differential duty. Under the present laws and regulations all collectors are supposed to know exactly what kind of leaf is suitable for wrappers and what not in each bale or package of leaf tobacco, but, unfortunately they are not leaf experts. This works great injustice to importers and manufacturers. Our suggestion is, that in the absence of free leaf or a uniform specific rate on all tobacco that the following substitute for the leaf-tobacco schedule of the Wilson bill be adopted by your committee and passed by the Senate, to wit:

On all leaf tobacco the value of which is more than 60 cents per pound, if unstemmed, — per pound; if stemmed, — per pound; if of less value, unstemmed, — per pound; if stemmed, — per pound. (Rates of duty in foregoing we don't care to suggest.)

Innumerable difficulties have arisen and grave injustice has been perpetrated under the tariff laws of 1883 and 1890, owing to the wording of the leaf-tobacco schedules in both acts, and this evil is perpetuated in the Wilson bill. To remove all doubt in the minds of importers, manufacturers, and collectors of customs as to whether a certain bale or package of tobacco should be classified as wrapper leaf or not, let the line be drawn at the value of 60 cents per pound. That this is a just and proper dividing line we submit the following facts and figures as proof:

In November, 1893, there were imported 250,273 pounds of leaf suitable for wrappers, valued at \$275,280; average value per pound, \$1.09; and during the same period the total of all other leaf imported was 1,378,318 pounds, valued at \$584,896; average value of same per pound, 42½ cents. These figures are from the Treasury report of imports of leaf tobacco for the month ending November 30, 1893. If you examine amounts and values of all imports since 1883 we have no doubt that it will be found that the value of foreign leaf suitable for wrappers has always been more than 60 cents per pound, and that the average value of all other importations of leaf has been less than 60 cents per pound. Why not, then, make that figure in value determine whether an importation of leaf should be classified as wrappers or not? Both in the present and Wilson schedules the single leaf is taken as the unit. This is unjust.

Rents remain the same, but in other things living is a little cheaper. Demonetization of silver is the principal cause of depression; the others are too numerous to state. The remedy is free silver coinage, supplemented by a sufficient increase of full legal tender Treasury notes receivable for all dues issued direct to the people on approved security as loans, at a low rate of interest; government ownership of the means of transportation and communication; postal savings banks, to secure depositors against loss, etc.

Leaf tobacco is our raw material.

Our goods, as society is at present constituted, are both luxuries and necessities.

We don't borrow money.

Immigration does not affect us much either way.

Fifty per cent of our labor is skilled.

If we were taxed on our raw material and cigars were imported free of duty, we would have to reduce wages of labor 50 per cent or close up.

We employ 3 men; average weekly earnings, \$12 per week; 3 boys, average weekly earnings, \$1.50 per week, at present. Sixty hours of labor is a full week.

None of the foreign articles of like kind enter into competition, unless smuggled in from Mexico. Three cigar factories are working just across the river in Mexico, and their entire product, or nearly all, it is believed, finds its way into the United States free of duty.

None of our goods are exported.

The cost of manufacturing has increased.

Selling prices have decreased slightly.

We consume very little agricultural production. We can not sell cigars made from domestic tobacco profitably.

We pay duty on leaf tobacco, specific duty; on leaf suitable for wrappers, \$2 per pound; other leaf, 35 cents per pound.

If raw material were free we would need customs duty. Owing to the low wages paid to cigar-makers abroad we could not compete with the product of foreign cigar factories.

Our wholesale prices were about \$50 per 1,000.

In regard to changes of customs laws and existing rates of duty we have given our views in the foregoing, but we will repeat in brief the changes we would recommend in the order we most desire:

(1) Free leaf; (2) a uniform specific rate of duty, not exceeding 35 cents per pound; (3) in case of neither of the foregoing being adopted, we strongly recommend that the dividing line between wrapper and other leaf be drawn at value, classing all leaf over 60 cents per pound in value as wrapper and that below as filler. We also recommend that the rates be not greater than those adopted by the House in its consideration of the Wilson bill; lower if possible.

---

No. 4295.

*Reply of Daniel Kugler, of Centralia, Ill., manufacturer of cigars.*

[Established in 1872. Capital invested, \$1,800.]

I have produced about 120,000 to 170,000 cigars yearly.

We have been running less hands in the last five months on account of the general dullness in business.

Prices are about the same at present as in 1884, 1889, 1890, 1892; same prices rule at present, only very slow sales and uncertainty.

There is an increased competition in domestic goods.

I desire a specific duty, because it puts us all on equal footing.

I am not producing as many goods as formerly, because people do not make enough money; too many are out of work here.

The cost of living is from \$35 to \$50 a month, where there is not a large family.

Wages in our business are bound to go down.

I would like to have the duty on Sumatra wrappers down to \$1 a pound.

The cost of living is about the same as former years, only there are less earnings. People will use less to live on, because they have not the money to buy with.

My remedy for the depression is to leave the tariff as near as possible the way it has been in former years.

My goods are luxuries.

I pay 6 per cent on loans.

I would meet the reduction of duty on goods the best way I could;



would like to have duty kept up on imported Havana cigars as it has been. Think it would be better for us, both manufacturers and workmen.

Only 3 men are employed now and I don't know how long we will keep them. Wages are \$7 and \$8 per 1,000 cigars. They work forty hours per week.

No foreign articles enter into competition with my goods.

The cost of manufacture is the same as in 1883.

I will have to sell goods cheaper if it keeps on being dull.

I pay a duty of \$2 per pound on Sumatra tobacco wrappers for cigars, which is too high for us—\$1 per pound is plenty.

If raw material were free we would still need a duty.

The wholesale prices from 1884 to 1892 were the same. They are likely to decrease at present.

---

No. 4296.

*Reply of Hermann Ross, of Montgomery, Ala., manufacturer of cigars.*

[Established in 1874. Capital invested, \$1,500.]

I make some years 100,000 cigars; some years more, others less. Value, from \$35 to \$70 per 1,000.

I worked years ago sometimes two or three hands, but decreased my manufacture on account of cheap, worthless goods, sold at about half the price of mine, and for which the consumer paid the same as for mine.

In regard to reducing the rates of duty one-third, about one-tenth reduction in cost of production would be necessary.

There has been an increase in cheap domestic competition.

I desire specific duty; ad valorem I consider complicated.

I am not making as many goods as in 1892, as the demand is reduced.

I don't pay any wages; I work, also my son.

I am in favor of a uniform duty of 35 cents per pound on all leaf.

Cause of present depression in trade, in my opinion, is overproduction of cheap merchandise.

My raw material is leaf tobacco.

My goods are a necessity for everybody who likes the value for his money.

I don't borrow any money.

Immigration has no affect on my business.

I employ no skilled labor at present.

I want no reduction on duty of cigars. Enough cheap goods are in the market where the consumer pays the same price for as for good and valuable goods.

Cheap imported cigars to a great extent enter into competition.

I do not export any of my goods.

Cost of manufacture is about the same to me as in 1883.

There has been no change in selling prices.

My Havana filler pays 35 cents per pound.

I am in favor of a duty on manufactured cigars.

Put all duties on leaf and abolish internal revenue on cigars. Our Government would save plenty of money and the manufacturer would be a free man, as every one should be in this country.

## No. 4297.

*Reply of Francis Kremler, of New York City, manufacturer of cigars.*

[Established in 1859. Capital invested, \$1,500.]

During the past eighteen months I have partly shut down, owing to the present change of tariff, and I can not sell for cash.

Keep a heavy duty on imported tobacco so American farmers may be protected.

If the rates of duty were reduced one-third, I would give up manufacturing.

Goods or cigars are sold closer and cheaper for cash than in the past twenty years. If the duty on cigars is reduced it will hurt labor. My business with laborers who are my customers has been very little or nothing. They have no cash.

Wages have been on the decline during the past year.

The cost of living of families of skilled workmen averages from \$8 to \$12 per week, if steady work or orders.

Cost of manufacturing is about the same as in 1883.

Depression in business is due to change of tariff.

Our raw material is tobacco leaf.

My goods are both luxuries and necessities.

I pay the rate of  $4\frac{1}{2}$  to 6 per cent per annum on loans.

Immigration does not affect our business much.

I employ hand workmen on hand-made cigars. I only have one or two hands (men), most of the time none.

Our hours of labor are eight per day.

I desire you to protect us from competition by high duty. Not much of my goods is exported, as foreign labor is cheaper.

Costs of manufacture are about the same as four years ago.

There have been changes in both labor and materials, as just how the tobacco crops turn out affects both.

Selling prices have decreased since 1890.

Tobacco plants are the agricultural products consumed in my manufacture.

We pay duty on manufactured cigars, \$3 per 1,000.

Keep duty on both raw materials and manufactured articles.

My wholesale prices have decreased since 1892.

Keep a high duty on tobacco and cigars.

The cigar business has been bad for the last five or six years. There has been a steady decline in wages. If tobacco and cigars come in free it will knock myself and a good many more manufacturers out of business, and we will have to go to Europe to manufacture.

---

No. 4298.

*Reply of Morris Davidson, of Detroit, Minn., manufacturer of cigars.*

[Established in 1889. Capital invested, \$1,500.]

As near as I can remember, in 1890 I manufactured about 110,000 cigars, valued at \$6,000; 1891, about the same as 1890; in 1892, 70,000 cigars, valued at \$3,800; in 1893, 50,000 cigars, valued at \$3,000.

Have run on short time during past two years, because the crops were poor in this State and the price of wheat very low; hence the depression of business.

Since 1890 the prices have been about the same.

I think there has been an increase in competition.

I prefer a specific duty. I think it will give better satisfaction.

Wages have been about the same as the preceding year.

Have no skilled workmen only myself.

Have had difficulty in construing existing law and have no suggestions to make.

Cost of living has been about the same during the past four years.

My remedy for depression would be to reduce the tariff on raw materials, such as we can not grow or produce in this country, and place a high tariff on manufactured goods.

Tobacco is my raw material.

I think my goods are luxuries.

I pay from 8 to 10 per cent on loans.

Immigration has had a bad effect on my business.

When employing help I would use about three-fourths skilled labor.

I employ 1 boy, unskilled, at \$3 per week.

Our hours of labor are about forty-two per week.

I have competition with foreign goods, but can not exactly say to what extent.

I do not export any.

Cost of manufacturing has increased about 15 per cent since 1883 in materials.

Wholesale prices are about the same as in 1890.

All of our consumption consists of products of agriculture, half produced in this country and half in foreign.

Sumatra wrappers pay a duty of \$2 per pound; Havana fillers, 35 cents per pound.

There will be necessity for duty on manufactured tobacco, even with free raw material.

I do not know the price for 1884, but the prices in 1890 were: Sumatra wrappers from \$1.25 to \$2.25 per pound, and in 1892 from \$3 to \$5 per pound. The prices have been about the same since 1892.

I think the rate of duty on Sumatra tobacco ought not to be more than 50 cents per pound, and Havana filler not more than 15 or 20 cents per pound.

---

No. 4299.

*Reply of Isaac Werthermill, of Brooklyn, N. Y., manufacturer of cigars.*

[Established in 1875. Capital invested, \$1,500.]

The amount and value of production is pretty hard to state, for one year more is manufactured than other years. Last year being very poor, I manufactured about half of a regular year's work.

For last twelve months we worked about quarter time.

I do not import.

It would reduce the selling price 50 per cent if the rate of duty on leaf tobacco were reduced one-third on goods.



By the thousand, we received from \$25 to \$75 per 1,000. In 1894 you can't sell them for any price.

Competition is as always.

No ad valorem duty for me.

There is so little work that men can get no work if they would work for nothing.

The cost of living for skilled workmen depends on their income.

I have no difficulty in construing the present law.

Living has not decreased; cost is the same as in prosperous times.

The depression is caused by monkeying with the tariff question.

My goods are luxuries.

Immigration has ruined the cigar trade.

All of my labor is skilled.

I can not tell how I would meet a reduction of duty on goods.

I employ no more than I have to; depends on demand and work.

I employ none at this time.

I do not export.

The cost of manufacture has increased about 25 per cent since 1883 in material.

My selling price has decreased since 1890.

Five hundred dollars worth of agricultural production is consumed in my manufacture.

---

#### No. 4300.

*Reply of Hoceland & Co., of Topeka, Kans., manufacturers of cigars.*

[Established in 1889. Capital invested, \$1,200.]

Yearly amount of production is about 116,000 cigars, at \$25 per 1,000.

We ran less than full time during the year 1893, owing to depression of business.

We are not affected directly by rates of duty.

In 1892 wholesale price per 1,000 cigars was \$30, now \$25.

There has been increased competition with large Eastern factories, which imported large quantities of foreign tobacco, Sumatra and Havana, before the present tariff went into effect.

We are not producing as many goods as in 1892, owing to dullness in general and too much political speculation about the tariff, which is very injurious to trade.

Wages are going down because high tariff always reduces wages for the workingman. See history of foreign countries.

The cost of living of families of skilled workmen: Groceries, \$15; house rent, \$10; meat, \$6; clothing, \$10; sundries, 5; total, \$46 per month.

Would suggest that tariff on foreign tobacco be either raised to shut it out entirely, or reduced to 35 cents a pound, to enable small manufacturers to use it in competition to large concerns, but to not raise the revenue on domestic cigars. This is directly injurious to our trade.

## No. 4301.

*Reply of the Swedish Snuff Company, of Jamestown, N. Y., manufacturers of snuff.*

[Established in 1892. Capital invested, \$1,200.]

Value of production in 1892 was \$1,442.05; and in 1893, \$2,738.18.

We have run full time during past two years.

To place domestic productions on an equal footing with the foreign product the rate of duty should be just what it is now.

Wholesale prices for 1892, 35 and 40 cents per pound; now 40, 45, and 50 cents.

Our remedy for present depression: That the Wilson bill may be put away soon.

We do not borrow.

Immigration has a very good effect on our business.

We employ 2 men, at \$6 and \$8 per week; they work forty-eight hours a week.

Cost of manufacture has been just the same since 1883.

Wholesale prices have increased since 1892.

We suggest no change in existing rates of duty or administrative customs laws.

## No. 4302.

*Reply of M. Belond, of Merrill, Wis., manufacturer of cigars.*

[Established in 1888. Capital invested, \$1,000.]

My production is 500,000 cigars annually, one-third imported and two-thirds domestic cigars; \$3,000 per year, 2,500 pounds per year.

I have made no reduction in working time.

The present duty is satisfactory, viz, \$2 per pound. Our Connecticut tobacco equals imported tobacco in quality.

Ten per cent less in the cost of production would be necessary to meet the reduction of one-third in duty.

There has been no increase in competition.

I desire an ad valorem duty, because quality demands it.

I am producing as many goods as in 1892.

There has been a decrease in wages during the past twelve months.

The families of skilled workmen need \$8 or \$9 per week for living expenses, and they consume everything.

Duty might be raised to \$3 or \$4 with very satisfactory results.

There has been a slight increase in the cost of living.

The cause of the present depression is the Wilson bill—the remedy is the present tariff law.

All my raw material is tobacco.

My goods are luxuries.

I pay 8 per cent on loans.

Immigration has no effect on my business that I am aware of.

I employ 2 hands.

To meet the reduction of duty on goods I would sell goods cheaper, use more imported tobacco, pay help less.

I employ 2 men, \$12; 1 lady, \$8.

Sixty hours per week are my hours for labor.

Foreign articles enter into competition, but we have twice as much domestic as foreign.

None of my goods are exported.

The cost of manufacture has decreased in the last twelve months. Before that it was about same or higher than past twelve months.

The decrease is both in labor and material.

My selling prices have decreased.

I use 66 $\frac{2}{3}$  per cent of agricultural productions consumed in my manufacture.

One-third of my material is dutiable at \$2 per pound.

If raw material were free we would still have need for customs duty.

My prices were \$35 to \$40 per pound lower in 1893 (domestic).

The present tariff schedule is what we desire as it benefits us the most.

#### No. 4303.

*Reply of M. F. Kofroth, of Akron, Pa., manufacturer of cigars.*

[Established in 1890. Capital invested, \$1,000.]

I use leaf tobacco from the United States; Havana, Cuba; Sumatra; value from 8 cents to \$3.25 per pound.

We have been running less time since the tariff of 1890 went into effect. Remove tariff from Sumatra and Havana leaf tobacco.

Our domestic wholesale prices about the same from 1890 to 1894.

There has been an increase of domestic competition in our line.

We pay our men from \$6 to \$6.50 per 1,000.

Cost of living has decreased to some extent during the past four years.

The remedy for the depression in the cigar trade: Take the tariff from Sumatra and Havana leaf tobacco, and the cigar business will boom, according to my opinion.

We pay 6 per cent on loans.

Reduction of duty on goods must be met by getting the best prices we can for our goods.

We employ all men.

Our hours of labor are forty-eight hours per week.

Cost of manufacture has increased since 1890 in materials and labor.

Our selling prices have neither increased nor decreased.

With free raw material, a duty is necessary on manufactured goods.

#### No. 4304.

*Reply of James Fine, of St. Louis, Mo., manufacturer of cigars.*

[Established in 1872. Capital invested, \$1,000.]

I have been running less than full time during the past two years on account of too many imported cigars being sold.

Average domestic wholesale price is \$60 per 1,000.

I want a high rate of duty on imported cigars.

I am not manufacturing as many goods as in 1892 on account of dullness of trade.

There has been no change in wages in the past year.

Cost of living for one family is \$8 per week.

I want a very high duty on manufactured imported cigars, but no duty on raw leaf, or if any, very low.

The price of living has decreased during the past four years.

My goods are luxuries.

Immigration has no effect on my business.

All my labor is skilled.

I employ 2 men and 2 boys.

My hours of labor are forty-eight per week.

Selling prices have decreased since 1890.

I pay a duty of \$2 per pound on Sumatra leaf.

Domestic wholesale prices are the same now as in 1892.

I recommend no duty on imported leaf tobacco, Havana and Sumatra.

---

No. 4305.

*Reply of the Acme Cigar Company, of Joplin, Mo., manufacturers of cigars.*

[Established in 1889. Capital invested, \$1,000.]

We manufactured and sold about 20,000 cigars per month until 1893, when a decline commenced, and we are now selling 5,000 to 10,000.

We have been running full time on a reduced force, from 8 hands down to 3.

We are not making half as many goods as in 1892, on account of depression in business. There is no money and we can not collect.

There has been a downward tendency of wages during past twelve months.

The present depression is due to tariff tinkering. We are in favor of protection. Since the tariff of 1890 went into effect, raising tariff on Sumatra, home production in that line has been stimulated, until now we are getting a fine article at a great deal lower price.

Our goods are luxuries.

We pay 10 per cent on loans.

As to reduction of duty on goods we manufacture: Can not meet it. We ceased to use Sumatra wrappers, consequently there has been no increase in cost of manufacture since 1883.

Selling price has been the same since 1890.

Protect home industries and, in our opinion, we will come out of this terrible condition.

## No. 4306.

*Reply of the Star Cigar Company, of Guthrie Center, Iowa, manufacturers of cigars.*

[Established in 1889. Capital invested, \$1,000.]

We make about 100,000 cigars per year, worth \$35 per 1,000.

We have had no decrease in working time during the past two years.

To place domestic productions on an equal footing with the foreign product the duty should equal the difference in wages, less transportation.

By reducing the rates of duty one-third the reduction in cost of production would have to be one-third.

Our wholesale prices were as follows: \$35 per 1,000 in 1890; \$35 in 1892; \$35 in 1894, on time; cash, \$25 to \$30.

We desire a specific duty. Under ad valorem, cheap goods are shipped in and a high price is placed on them by the importer.

Wages during past twelve months have been lower.

The workmen find it hard to pay all their bills out of a salary of \$60 to \$90 per month.

We have no difficulty in construing the existing law.

Flour and rents are lower; can not say to what extent.

The cause of the depression is the lack of confidence and trying to enforce settlement (pay day) and sell for cash. Give us more money; issue bonds and coin the seigniorage.

Our raw material is leaf tobacco.

My goods are necessities.

On loans we pay the rate of 10 per cent.

Immigration has no effect on our business.

Our labor is three-fourths skilled.

We employ 5 men and pay \$15 for ordinary, \$60 to \$90 for skilled per month.

Our hours of labor per week are fifty-four.

Foreign articles enter into competition with us.

We do not export.

The cost of production has been the same since 1883.

Selling prices have been the same since 1890.

All the material we use is of domestic production.

Put duty on cigars, and then the cigars will be made in this country.

---

No. 4307.

*Reply of Marrin & Co., of Midland, Mich., manufacturers of cigars.*

[Established in 1889. Capital invested, \$1,000.]

Production from commencement of industry has been about 300,000 Havana and Sumatra goods, 200,000 American tobacco, \$15,000 Havana goods, \$4,000 American tobacco goods, in the four years.

Have been running light for the last six months on account of the contraction of money; and for eight months before that because of the heavy tax on imported Sumatra. Heavy manufacturing concerns having capital laid in big supplies of Sumatra; the small factories had to pay the additional tax and could not compete with the larger ones.

We are selling goods cheaper now than ever on account of the stagnation in business; had to cut down the men to correspond.

Tendency of wages during past twelve months has been down, down.

Give us free raw material, that we don't raise in this country, and our business will be good, other things being equal; that is, plenty of money in circulation.

Price of living remains about the same.

First, last, and all the time I would say that the policy of the administration in making gold the unit of value and the contraction of the currency have more to do with our present panic than all the tariff legislation you can do. I am only an illiterate cigar-maker in a small village in the northern part of Michigan, but if I was absolute dictator, and sat on the throne occupied by the President, I would issue \$500,000,000. I would distribute the same pro rata throughout the States for public improvements, and you would see this country "bud and blossom as the rose." There is an English syndicate that wants to build a canal in this State from Grand Rapids to Grand Haven and take their pay in tolls. Why should not the Government build this canal, and send the men to work who are now living on charity to earn their own living, making independent citizens of them, instead of dependent paupers? But as Thaddeus Stevens said in Congress when he was fighting to keep the exception clause off the third issue of "greenbacks," "There will be a doleful sound coming up from the caverns of the bullion brokers," so would a doleful sound come up from the palaces of the professional money loaner if such a measure came up in Congress.

You have asked me for my views, and here they are, and I don't care who knows them.

In conclusion, I would say, down with the tariff and up with money. These are genuine Democratic principles.

---

No. 4308.

*Reply of Charles Friede, cigar manufacturer, of Boston, Mass., manufacturer of cigars.*

[Established in 1887. Capital invested, \$1,000.]

Our production has been 70,000 cigars, largely medium grades, during last two years; valued at \$2,800. We produced in former years about three times the amount.

Have worked full time, with less help, on account of decline in trade; cause, severe competition and lack of capital.

I think the present rate of duty on foreign products high enough to secure the market to American manufacture, more especially in so-called 5 and 10 cent goods.

A reduction in duty on raw leaf tobacco would, of course, strengthen the position of home manufacture, whilst the lowering of duty on manufactured products would weaken it in proportion, as long as our trade has not become more centralized than at present. It would also create a tendency to lower wages, and also tend to reduce the quality of the product in proportion to the lowering of the duty on cigars.

Price of goods 1884 to 1890, \$25 to \$55 per 1,000. Between 1890 and 1894 it was \$30 to \$60 and \$65, in proportion to grades and quality.

I believe that competition has increased during past four years.



We desire a specific duty.

We are not producing as many goods as in 1892, on account of lack of capital, etc.

Wages have kept the same level in our trade.

Price of living has remained about the same.

Present depression in trade is due to concentration of the productive forces in the hands of fewer persons, the application of better methods to production, distribution, and transportation, which forced, as a natural sequence, the idleness of hundreds of thousands of working people, reducing the standard of living of the masses, and limiting thus the purchasing power in general. The remedy would lay in the direction of such legislation as would secure steady employment to all willing to work, thus abolishing the destructive competition between the working people, abolishing involuntary idleness, and bringing production and consumption into proper balance. Remedies: I should propose reduction of the hours of labor, Government aid and encouragement of cooperative associations of workmen and farm workers, limitation of child labor, etc. Congress should create a special governing branch (secretary) for industry and labor.

---

No. 4309.

*Reply of Samuel Ashton, of Providence, R. I., manufacturer of cigars.*

[Established in 1866. Capital invested, \$1,000.]

In reply to your circular would say, I keep a small retail store with workshop in the rear. I do not employ any help, but work myself when I am not busy in the store. From 1866 to 1876 I used to make myself about 50,000 cigars a year, mostly of American leaf, and worth about \$30 per 1,000. I have made very few cigars for the last two years, partly on account of poor health and also for the reason that the market was flooded with cigars, and prices were so low it did not pay me to work.

As to the duty on cigars, I would like to see it double what it is now or else have it removed altogether.

The competition in the business is getting worse every year. I have had to sell goods at less than the cost of the material and got nothing at all for my labor.

As to living expenses I would say I could not make enough to live on out of my business and have to fall back on my pension.

If the duties were lower on Havana and Sumatra tobaccos I could make a better cigar than I could retail for 5 cents.

The price of living in my locality is about the same as it was four years ago, and the cause of the present depression in business is low wages and overproduction.

## No. 4310.

*Reply of Gold Dust Cigar Factory, of Wymore, Nebr., manufacturers of cigars.*

[Established in 1883. Capital invested, \$1,000.]

We have produced as high as 300,000 cigars in one year, but are now producing about 100,000 a year.

We have been working short time and with less help for the past two years.

To place domestic productions on an equal footing with the foreign product the rates of duty should be 35 per cent on Havana and Sumatra and the present duty on manufactured cigars.

Give us specific duty on raw material, for the reason it prevents large importers from undervaluing leaf tobacco, and thereby getting an advantage over small factories.

We are not doing as much business as in 1893, for the reason that hard times stop the consumption, and the high tariff on leaf tobacco increases the price on common goods.

The Cigar Makers' Union sustains prices, but leaves many out of employment.

Price of living has not materially changed.

Lack of money to do business has caused depression, and the remedy is free coinage of silver.

Leaf tobacco is our raw material.

We pay the rate of 10 per cent per year on loans.

All skilled labor is employed.

Reduction of duty on goods must be met by making cheaper goods and selling at the same price.

The price of cigars have decreased at wholesale.

We think the present duty is enough.

The wholesale price has fallen from \$3 to \$5 per 1,000 in the past five years.

I would recommend a uniform duty of 35 cents per pound on all Havana and Sumatra tobacco, which I believe would give the people better cigars and furnish work for thousands of cigar-makers now idle, and would not materially decrease the profit of the tobacco farmers of this country.

---

No. 4311.

*Reply of W. E. Dannat, of Newburg, N. Y., manufacturer of cigars.*

[Established in 1862. Capital invested, \$1,000.]

During the first few years I produced cigars to the value of \$10,000.

I have been running but 1 man steadily. Tobacco being very dear, cigars could not be advanced on account of competition by cooperative firms hiring girls and boys for mere nothing, workmen costing from \$1 to \$1.50 per 1,000; selling cigars when made, boxed, and stamped from \$7 to \$12 per 1,000. My cost for mechanics making cigars are from \$12 to \$15 per 1,000, not including boxes, stamps, or any material.

No foreign tobacco which we can not raise in this country should pay higher duty than 35 cents; then we could manufacture a better article for domestic product and get better prices if foreign manufactured cigars were raised from 15 to 20 per cent. Reason: They get their tobacco cheaper than we can get it here; we have freight to pay, besides it is handled by several parties who all secure a profit.

The rate of duty on cigars we manufacture is \$3 per 1,000; if reduced to \$2 it would be of great benefit to the workmen and also to the manufacturer.

In 1884 we had same prices as now, from \$25 to \$50 per 1,000; and in 1890 and 1892 the same, with a disadvantage to the manufacturer because the rise on imported cigars also raised prices on domestic, not to the grower, but speculator, and we have been compelled to make an inferior article.

There has been an increase in both foreign and domestic competition. Low wages are paid on domestic cigars, and in foreign manufacture the material they have free of duty.

In my estimation the duty ought not to be advanced, because it must decrease the mechanic's wages or the manufacturer must still make a more inferior article.

I am manufacturing not quite as much as in 1892.

Wages are from \$8 to \$12 per 1,000 for all good workmen.

The cost of living of families of skilled workmen is what they earn, \$300 to \$350 per year.

My suggestion would be to live and let live. As I said previous, our tax on domestic cigars should not be more than \$2 per 1,000, and imported tobacco not more than 35 cents. When I first commenced manufacturing I bought best Havana tobacco for 25 and 30 cents per pound.

The price of living has increased about 10 per cent in past four years.

In my opinion the cause of depression is the increase of immigration. Stop the inflow of cheap labor; they all have to be supported when here and are no benefit to our trade.

My raw material is unmanufactured tobacco.

My goods are both luxuries and necessities.

Interest is 5 per cent on loans.

Immigration has had a bad effect. Why? These Italians who immigrate here gather old stump cigars and old chews, and sell at 25 cents per bag, to be manufactured over into cheap cigars. I presume you, too, have often heard of them doing so.

I employ all skilled labor.

I expect to meet reduction of duty by making a better article.

Have 1 skilled workman employed. I pay from \$7 to \$15 per 1,000.

My hours of labor are fifty per week.

Foreign goods certainly do enter into competition on all good grades of cigars.

I export no goods.

Prices have increased about 20 per cent since 1883.

Cost of manufacture has increased in material.

Selling prices are about the same as in 1890.

Our component materials are two-thirds domestic and one-third imported.

There is a duty of from 35 cents to \$2 on the tobacco we use.

There would be necessity for duty on cigars with free raw material.

Wholesale price in 1884, \$25, \$30, and \$50; same grades in 1892 were less. There has been no increase since 1892.

On all raw material we do not raise the duty should be not more than 35 cents per pound. On all imported cigars, manufactured, custom duty should be 20 per cent more.

If you reduce the customs duty on raw material and increase the duty on imported manufactured goods, we could compete with any country on the face of the globe.

---

No. 4312.

*Reply of M. E. Little, of Port Townsend, Wash., manufacturer of cigars.*

[Established in 1891. Capital invested, \$1,000.

One hundred and twenty thousand cigars were manufactured the first year, valued at \$7,000. The next year about the same amount; the third year about 40,000, valued at \$2,400.

During the last year we have been running on short time on account of depression in business.

A specific duty of 25 per cent would place our domestic products on an equal footing with foreign producer.

Wholesale prices: 1884, \$55; 1891, \$55; 1892, \$60; now, \$60.

There has been no increase in competition during past four years.

I desire a specific duty.

I am not making as many goods as in 1892, on account of the general depression in business.

There has been no change in wages; they are governed by a union.

The cost of living of families of skilled workmen is about \$10 to \$12 per week.

I have no difficulty in construing the existing law in regard to importations.

Cost of living has changed at least 25 per cent in four years.

Cause of depression is tariff tinkering.

Our raw materials are Sumatra wrapper and Havana filler.

Our goods were luxuries, but have become necessities to a large class of the people.

I pay 10 per cent on loans.

Immigration hurts business all around.

All my labor is skilled labor.

Reduction of duty on goods must be met by cutting wages.

I employ 4 men, 1 woman, no children. Wages are \$12 to \$15 per week.

They work forty-eight hours per week.

There is very little foreign competition under the present duty.

Cost of manufacture has increased in both materials and labor since 1883.

Selling prices have increased since 1890.

About one-third of our materials are of agricultural production.

Sumatra and Havana wrappers pay a duty of \$2 per pound.

There would be a necessity for a customs duty on cigars with free raw material.

Wholesale prices have increased on wrappers, but not on fillers since 1892.

I recommend a reduction of one-half on wrappers and none on fillers, for if there was a reduction made the Cuban Government would gain what the U. S. Government would lose, as the importations of Havana would be the same or increase.

No. 4313.

*Reply of Andrew McCall, of Gloversville, N. Y., manufacturer of cigars.*

[Established in 1890. Capital invested, \$700.]

I have been compelled to reduce the cost of production on account of the increase of raw materials that caused a 25 per cent loss in profit, which was the direct effect of the 1890 duty of \$2 per pound on Havana and Sumatra wrappers. I employ two men where I employed three in 1890.

I would advise a specific duty of 20 cents per pound on all unstemmed and 30 cents on stemmed tobacco and to reduce the duty one-half on cigars, which would remove the restrictions on imports and exports and stimulate trade.

If the duty were reduced as above that would give us cheaper raw material and better profits without reducing wages.

The wholesale prices have been reduced since 1890, with an increased cost of material.

There has been an increased competition in the domestic product, caused by the increased duty on the foreign wrapper, by placing the control of raw material and product in the hands of the trust.

I desire a specific duty by all means to prevent undervaluation.

I am producing less and at a less profit than in 1892, on account of the competition that did not exist before 1890.

A reduction in wages has been made by the large manufacturers. The small manufacturers all belong to the Cigar-Maker's Union with their employes and have not reduced wages, and are waiting for relief by the Wilson bill.

I would think the existing law was prohibitory.

Cost of living has decreased in the cost of sugar, but in other products I do not perceive any reduction on account of the reduction in wages. All along the line living is just as high as four years ago.

Present financial depression is due to the commercial and financial system of 95 per cent credit and 95 per cent futures, aggravated by the extravagant appropriations and silver-purchase acts and high-tariff parts of the law of 1890.

My raw materials are domestic and foreign.

My goods are luxuries only as far as they are taxed.

Immigration adds surplus to surplus of labor and reduces wages. In 1860 we cigar-makers were 95 per cent native, now we are 95 per cent foreign with a reduced purchasing power of the dollar.

My labor is all skilled.

Reduction of duty on goods must be met by the increased purchasing power of the dollar created by the reduction of taxation.

I employ 2 men; wages from \$8 to \$12 per week.

Our hours of labor are forty-eight per week.

There is no competition from foreign articles, but from the cheap districts of Pennsylvania, New York City, and the tobacco trust, through the tariff tax of 1890.

We must have Havana tobacco to mix with in order to make a better cigar than we can make out of clear domestic. We make more profit by having the imported than we could without it.

The cost of production has increased since 1890 between \$3 and \$5 per 1,000.

The increase has been in raw materials.



Cost of living has decreased since 1890.

I consume in my manufacture about 30 per cent Havana tobacco, which pays 35 cents per pound duty.

I suggest putting enough duty on product to cover the difference in wages.

Reduce the duty on tobacco to 20 cents per pound on unstemmed; 30 cents per pound on stemmed, and one-half the present duty on cigars, as soon as possible.

---

No. 4314.

*Reply of M. S. Burnham, of Baltimore, Md., manufacturer of cigars.*

[Established in 1885. Capital invested, \$700.]

I do a business of about \$3,500 or \$4,000 per annum. Value of goods is from \$28 to \$65 per 1,000. Average value is about \$40 per 1,000. Much of my product is of my own labor.

Our business is affected by every change in tariff. Efforts to increase the tariff on Sumatra, some two years ago, had a more depressing action on small manufacturers than on the larger manufacturers. The larger manufacturers, in many instances, availed themselves of their wealth and laid in large quantities before the bill became operative. The smaller manufacturers were unable and had to pay the advance prices on Sumatra, a difference of about \$1.50 per pound on the average duty previously paid. The product of the larger manufacturers was placed on the market at the same price, necessitating smaller manufacturers doing likewise. And it does not require much thought to perceive that the smaller manufacturers either sold at \$3 per 1,000 less profit (which many have done) or made labor suffer by corresponding reduction.

The cost of producing my manufactures would be decreased about \$2.50 per 1,000, by a reduction of one-third in duty.

If the rate of duty were reduced one-third there would be no necessary reduction of labor.

My prices are from \$28 to \$65 per 1,000, and have been kept the same at a loss to me.

There has been an increase in competition.

I think the specific duty that prevailed previous to the last legislation sufficient on Sumatra, viz, from 35 cents to 75 cents per pound, but would rather see a fixed duty of 75 cents per pound (uniform), then we would be certain the Government received it, not the leaf dealer.

I have been producing about the same amount of goods until at present. Reason, because the tariff question is not settled and no one knows what to do.

Wages have been reduced in the last twelve months.

I have had no difficulty with the present law.

There has been no change in the cost of living.



No. 4315.

*Reply of C. L. Phifer, of Dassel, Minn., manufacturer of cigars.*

[Established in 1888. Capital invested, \$600.]

The kinds of cigars I manufacture are sold for \$25, \$30, \$33, \$35, \$50, and \$60 per 1,000.

Ran on short time part of last winter because of decreased sales and increased cost of Sumatra tobacco.

The wholesale price has not increased, but the cost of production has. As I am both employer and employé I do my own work, and the increase of cost is due to the increase of the duty on Sumatra wrappers from 75 cents to \$2.

Competition increases as the margin of profit increases. The robber duty of 1890 increased the value of all fine domestic wrappers.

I think a specific duty of 35 cents on all unstemmed tobacco would give the Treasury the most revenue and would bring about the largest production of fine goods in this country, as \$5 per 1,000 tax on domestic cigars, whether they are worth \$9 or \$90 per 1,000, gives the best satisfaction all around.

Scarcity of circulating money is the reason for reducing the amount of my production.

My expenses for a family of 7 are about \$35 per month.

Imported cigars do not interfere with my trade.

Cost of living has rather decreased. We can buy flour, sugar, and clothes cheaper than in 1889.

Perhaps the shortage in the national Treasury and the fear of the taking away of the protective tariff which caused the distrust of capital has caused depression. I would suggest that Congress act speedily and promptly. I want to buy Sumatra but can not afford to, for fear the tariff will be reduced, and I think the men that became rich by the robber duty ought to be made to unload a little.

My raw material is leaf tobacco mostly.

My goods are luxuries.

I pay 10 per cent on loans.

Reduction of duty on goods must be met by making finer goods and more of them; consequently a better living.

Competition with foreign goods does not amount to much.

None of our goods are exported.

Cost of manufacture has increased since 1890 in materials. Prices are the same.

I use about 20 pounds of domestic tobacco to 1 pound of imported tobacco.

On Sumatra wrappers we pay a duty of \$2, and on Havana, 35 cents per pound.

I think there would be necessity of duty on cigars with free raw material, although it would make more difference in other parts.

## No. 4316.

*Reply of W. H. Zuglitz, of Chatfield, Minn., manufacturer of cigars.*

[Established in 1888. Capital invested, \$6,000]

Amount of cigars made annually is about 400,000.

We always had plenty of work, and have worked nights.

If the rate of duty were reduced one-third, we would have to reduce cost of manufacture about 75 cents a pound.

Domestic wholesale prices in 1890, \$65 per 1,000; 1892, \$60; 1894, \$58.

Competition has increased in past four years.

I desire a specific duty.

We are not making as many goods as in 1892 on account of cost of Sumatra wrappers.

Wages have been about the same in the past twelve months.

Remedy for the present depression is to hurry up with the tariff bill.

Sumatra wrapper is our raw material.

Our goods are both luxuries and necessities.

We pay 8 per cent on loans.

Immigration has no effect to speak of now.

Our labor is all skilled.

Don't want reduction of duty.

We employ 8 men at \$12 to \$15 per week.

They work sixty hours a week.

We have competition to a serious extent with foreign goods.

We export none of our goods.

Cost of manufacture has increased since 1883 is in materials.

Selling prices have decreased since 1890.

We pay duty on Sumatra wrapper, \$2; Havana filler, 50 cents.

There would be necessity for customs duty on cigars with free raw material.

Wholesale prices have decreased since 1892.

Would recommend \$1 less in rates of duty.

## No. 4317.

*Reply of John J. Goff, of Morris, Ill., manufacturer of cigars.*

[Established in 1880. Capital invested, \$500.]

We produce about 100,000 cigars per year.

Have quit manufacturing during the last year. The Sumatra wrappers were too dear. What I used to buy for \$1.75 per pound I have to pay now \$4.25 per pound, and I can not get any more money for my cigars.

Would like the duty on raw material as low as it was before the present tariff came into effect.

Prices in 1880 were \$35 per 1,000, and I get the same now.

We have had considerable more competition, but it was by domestic cigar manufacturers; no foreign cigars in my line are sold here.

We would like a lower duty on wrappers and Havana.

I am not producing as many goods now as I did in 1892. I had some

Sumatra on hand, but when I used it I had to quit as the larger cigar dealers could buy more wrappers and could sell cheaper.

The tendency of wages during the past twelve months has been about the same.

As to cost of living, house rent is cheaper at present, also flour; but meat and potatoes are as high as ever.

Depression in business, in my case, is due to too high a price for Sumatra and Havana tobacco, and not getting a better price for what I manufactured.

About all of my component materials are raw.

My goods are luxuries.

I pay 7 per cent on real estate.

Immigration has had no effect on my business.

Mine is all skilled labor.

My hours of labor are forty-eight per week.

Foreign articles do not compete with mine.

Cost of manufacture has increased about 10 per cent.

The increase has been in both labor and material.

My selling prices are the same as in 1883.

I consume about one-tenth agricultural products in my manufacture.

I pay a duty of \$2 per pound on Sumatra and \$2 per pound on Havana leaf tobacco.

Even with free raw material a duty should be put on manufactured goods coming into this country.

Wholesale prices are the same on cigars as in 1892.

I would recommend that you reduce the duty on all fine raw tobacco that is used in cigars imported in this country. You would see an increased importation of Sumatra and Havana leaf tobacco. The money would again flow into the U. S. Treasury as it did when the duty was only 75 cents per pound on leaf tobacco. Your internal revenue would increase by the greater amount of cigars manufactured; also, the special cigar manufacturer's tax of \$6 per year, and retailer's tax of \$2.40 was not a very hard burden, and if you must have more money put it back.

---

#### No. 4318.

*Reply of B. C. Lubbering, of Hannibal, Mo., manufacturer of cigars.*

[Established in 1879. Capital invested, \$500.]

Average production yearly was 65,000 cigars up to 1890; since then, less. My annual report for 1893 was 42,000. Selling price averages \$27 per 1,000. Wages (union) are \$9 per 1,000. Have not been able to employ a workman since the present tariff has been in effect. Have made the cigars personally, with the assistance of an apprentice (my own son), since then. Reason of drop of fully one-third is easy to explain. I am not able to use Sumatra wrappers, and the trade wants them. Reduce the tariff on Sumatra to 75 cents per pound, and I will be able to compete with any firm, I do not care how large it may be.

## No. 4319.

*Reply of J. H. Bazmann, of Leavenworth, Kans., manufacturers of cigars.*

[Established in 1870. Capital invested, \$500.]

Have hardly run at all in the past two years.

My prices are about \$25 per 1,000 and \$60 per 1,000.

I want no duty whatever.

I am not producing as many goods because of bad times, so called.

I have not paid any wages.

I have no difficulty in construing the present law, but if the import duty were reduced it would also lower the price of our United States tobacco.

Price of living has decreased about \$1 per week.

I think if all people would go to work, that would be the best remedy for the present depression.

Leaf tobacco is my raw material.

My goods are a luxury for some people, for others a necessity.

I do not borrow, but 8 per cent is the rate on loans.

The less immigration, the less business.

I employ but 1 person.

Have no reduction in duty to meet, that I can see.

None of my goods are exported.

I suppose cost of production has increased since 1883; price of leaf has advanced.

My selling prices have remained stationary.

To explain, I will add that in 1890 my wife made 6,000 cigars, in 1891 about 3,000, in 1892 about 6,000, in 1893 4,000; and this will show that the business does not amount to much. If the import duty on Sumatra could be reduced to the same price as Havana that would probably relieve the pressure of the leaf dealers upon the manufacturer.

---

No. 4320.

*Reply of J. M. Harr, of Norwalk, Ohio, manufacturer of cigars.*

[Established in 1886. Capital invested, \$500.]

I make about 75,000 cigars during a year; average value about \$3,000 each year.

We run less than full time owing to the business depression, caused by tariff tinkering and the loss of confidence in the present administration.

I want about the present rate of duty, with the exception of Havana tobacco, which should be lower or put on the free list.

One-third rate less in duty on cigars would cause a reduction to cigar makers and bring us in competition with Germany, Belgium, and all other cheap labor countries.

The prices are about the same as in 1884; no material changes.

There has been a natural increase in competition.

I desire a specific duty as it is certain, and we know how much it will be.

We are not making as many goods as in 1892.

There has been no change in wages in past twelve months.

I have no difficulty in construing the present laws pertaining to importations.

I would suggest that the present session of Congress make such appropriations as are necessary to run the Government and then adjourn. It will restore confidence and start our shops and factories. Let the present tariff alone. The people of this section would indorse such action with a great deal of enthusiasm.

---

No. 4321.

*Reply of Andrew Keemis, of Sandusky, Ohio, manufacturer of cigars.*

[Established in 1877. Capital invested, \$400.]

Amount of production is between 60,000 to 75,000 per year, valued at \$1,600.

There should be just enough duty to make up for the difference in cost of production in other countries; that would be the only just way.

For the last year, on account of general dull trade throughout the country, we have run less than full time.

In regard to reducing the rates of duty on cigars one-third, it would be necessary to reduce the wages on all 10-cent goods made, as other countries can undersell us in all grades. We can make just as good cigars as any country, but it costs more to produce the same.

Domestic wholesale prices in 1884 per 1,000, \$25, \$28, and \$32; at present, \$24 to \$28.

The competition is more than complete.

I would always prefer a specific duty to be more just if honestly upheld.

We are not making as many goods as in 1892 because of the dull times; too many are unemployed.

With rent, fuel, light, and incidental expenses, the cost of living would vary. About \$10 to \$12 is necessary to live properly.

Wages have decreased in the shape of a reduction in hours from eight to five per day.

There is no reason given why the duty on imported cigars should be reduced; it would be no benefit to the consumer, and would be injurious to the manufacturer and laborer.

Price of living has changed in some instances from \$1 to \$1.50 per month.

Cause of depression is overproduction in everything; wild-cat speculation; the high rate of interest on money, and too many careless business managements. Business was living too high and got sick. The remedy is a good, sound-money basis, every dollar to be worth a dollar everywhere; reasonable rate of interest on money, and an increase per capita in circulating medium; and a good, sound tariff for protection, in practice high enough to protect American wages, and that only.

Our raw material is leaf tobacco.

In one way our goods are luxuries and in another they are a necessity for many.

We pay the rate of 8 per cent on loans.

One skilled laborer is employed at different times.

Reduction of duty on goods must be met by either the manufacturer bearing the burden or the workman.

To skilled labor we pay from \$10 to \$12 per week; stripper boy about \$2 per week.

In good times of trade they are employed forty-eight hours per week. I do not know of any exports of cigars.

The increase in cost of manufacture since 1883 has been in both material and labor, but just on certain grades of goods.

Selling prices have not increased since 1890.

Consumption by us, directly or indirectly, of products of agriculture is about 1,600 pounds of tobacco.

Sumatra wrapper, small quantity; rate of duty, \$2 per pound.

There would still be necessity for duty on cigars if raw material were free, to make up for the difference between this country and others.

Wholesale prices have decreased on some grades, but not any have increased.

There is no reason to reduce the import duty on cigars. This country can produce just as fine goods as any, but not for the same cost of production, and the consumer would not be the least benefited. An increase of revenue internally on cigars would be a deathblow at the industry, and would be sad for the poor workingman, who would be compelled to stand the whole increase, with a corresponding reduction in wages. It would be unwise, unjust, unfair in every detail to the cigar-maker as the increase is proposed.

---

#### No. 4322.

*Reply of John Hoerner, of Saginaw, Mich., manufacturer of cigars.*

[Established in 1882. Capital invested, \$400.]

I would state that I have been running less than full time on account of poor collections, small profits; raw material was too high.

There is not any difference in my prices.

There has been no increase of competition.

I am not manufacturing quite as many goods, because it is too hard to collect.

I think the tariff as it was before the act of 1890 went into effect was just about as near right for everybody's interest as we could get it.

The cost of living is about the same.

Leaf tobacco is my raw material.

My goods are luxuries.

I employ 3 or 4 men.

Forty-eight hours per week are my hours for labor.

The foreign articles enter into competition with my goods.

The cost of manufacture has changed since 1883, and the change is in material.

There would be necessity for customs duty on cigars if raw materials were free.

My wholesale prices are the same.

Would suggest that the rates of duty be placed where they were before.

The cause of the depression is because the duty is too high on raw material. It ought to be just where it was five years ago, before the tariff of



1890. Then we gave out all the money in the Treasury for pensions for those that don't deserve it, or get more than they are entitled to. It looks as if every 3 men have to support the fourth man.

Then the worst of all, there are too many and too big trusts; big fish eat up the little fish. It is getting so that a little man, if he don't belong to the trust, can't compete.

---

No. 4323.

*Reply of ———, of ———, manufacturer of cigars.*

[Name and location withheld by request.]

[Established in July, 1891. Capital invested, \$300.]

Amount of production is 40,000 cigars annually, at \$25 per 1,000.

Have nothing to do at the present time and for the last four months.

Why? People have no money to buy and smoke cigars.

Leave the duty as it is.

Domestic wholesale price has been the same all the time.

There has been no increase in competition in Havana cigars; good deal less.

I desire a specific duty, to be protected from cheap labor, and get our domestic wrapper in trade. It is better than Sumatra.

I am not manufacturing as many goods as in 1892; as I can not sell. Wages are going down.

Cost of living is \$10 per week; no luxury.

I have no difficulty in construing the existing law.

There has been no change in the price of living during the past four years.

Cause of the present depression is the uncertainty of the tariff question. When I manufacture something to-day I do not know for what price some foreign manufacturer will place the goods in market to-morrow.

My raw material is Sumatra leaf tobacco.

My goods are luxuries; necessities to some.

I pay 7 per cent on loans.

Immigration is evil to this trade; they take work at very low rates and will not organize.

I do the work myself.

Foreign articles come into competition in Havana cigars; but in 5-cent goods the Pennsylvania and New York goods made by the foreign element are cheaper than even goods from abroad, but are not as good.

Labor has increased in the cost of manufacture.

We want domestic tobacco for our 5-cent cigars.

I pay a duty on Sumatra.

Let the existing rates of duty be as they are.

## No. 4324.

*Reply of H. H. Strycker, of Lindsey, Pa., manufacturer of cigars.*

[Established in 1886. Capital invested, \$300.]

Goods manufactured amounted to about \$2,000 each year previous to 1890.

I have run little over half time. Cause, no market for goods.

The duty on imported wrappers (leaf) should not exceed 50 cents per pound. Wholesale dealers have advanced the price of domestic leaf 40 per cent on the present duty, which is a disadvantage to the manufacturers.

Two grades, mostly sold here previous to 1890 sold at \$17 and \$30 per 1,000; in 1892, \$16 and \$25; at present, \$15 and \$20.

There has been no increase in competition.

I desire a specific duty to prevent fraud.

I manufacture only about one-half as much as in 1892; no sale.

There has been a reduction in wages of about 25 per cent.

Expense of living is about \$25 per month.

The price of living has increased about 20 per cent.

The depression is due to no money being in circulation to do trade with. The remedy is free coinage of all American gold and silver and the issue of a full legal tender paper currency to the amount of \$50 per capita.

Our goods are luxuries.

We pay 6 per cent on loans.

Immigration has a bad effect.

One hundred per cent of our labor is skilled.

We employ no men at present.

Foreign articles do not enter into competition.

None of our goods are exported.

The cost of production has decreased 25 per cent since 1893.

There has been an increase in material and decrease in labor.

Selling prices have decreased 33 per cent since 1890.

All domestic products are consumed in our manufacture.

We pay no duty on component materials.

Wholesale prices in 1890, \$30; in 1892, \$25; at present, \$20 per thousand.

---

No. 4325.

*Reply of H. C. Hermann, of Columbus, Ga., manufacturer of cigars.*

[Established in 1881. Capital invested, \$300.]

I have produced every year 40,000 cigars, at \$20, except the last two years, when only average of one-half time was employed. The factories of all kinds shutting down, people had no money to buy either bread or cigars. The price of the same cigars is not altered, except by the amount of internal revenue. We get always the price we ask, when business is normal, for a good article. Cigars are only a luxury for well-fed and well-cared-for people. For the laboring class they are a necessity to digest their coarse food and depressed feeling.

The tendency of wages in the past twelve months has been to catch what can be got. Three-dollar men take 50 cents a day and fight for a 75-cent job.

A family of 5 can dress and live respectably here, eating wholesome, common food, for \$3 a week. Rent and tax take half of that. The price of living (food and cloth) has decreased since four years over one-half, but rent and taxes have swallowed up this gain.

I hire nobody, and I am not afraid of competition if the law would not fetter us so much. This eternal meddling with the trade, protection everywhere, unto the smallest corporation, makes trouble.

No protection for me. I want free trade and just as much import to pay the taxes and revenues.

---

No. 4326.

*Reply of J. T. Ayers, of Binghamton, N. Y., manufacturer of cigars.*

[Established in 1873. Capital invested, \$150.]

Production has been about 20,000 cigars a year, averaging about \$20 per 1,000; retailed for 5 cents each.

I have run less than full time during the past two years because I could not sell the goods and because I worked part of eleven months for another manufacturer.

I guess the present ad valorem duty is sufficient to place domestic productions on an equal footing with the foreign product.

Put imported leaf tobacco on the free list.

As to domestic wholesale prices of goods in 1884, \$18; 1890, 1892, and 1894, \$16.

There has been no foreign increase, but a domestic increase in competition.

I desire a specific duty because of the vast differences in prices of cigars, varying from 1 to 50 per cent.

Wages have been tending downward during past four years.

I don't employ any workmen.

Existing law is satisfactory.

---

No. 4327.

*Reply of John F. LaCocq, of Pella, Iowa, manufacturer of cigars.*

[Established in 1875. Capital invested, \$100.]

The quantity of production is not much, varying from 8,000 to 20,000 cigars annually.

In my opinion, you must not reduce the duty which is on tobacco now because we American folks have any climate and soil necessary for the cultivation of tobacco, and tobacco raised here in America is in most cases better than imported stuff, and it will help the small tobacco farmers a good deal to make a living. If the rich man will have imported goods, let him pay for it then.

I know I am a cipher in the figures, but still I have to pay my duties just as well as the large ones. The general prices I get for my cigars are from \$20 to \$40 per thousand.

No. 4328.

*Reply of M. Schaefer, of St. Louis, Mo., manufacturer of cigars.*

[Established in 1884. Capital invested, \$100.]

Annual amount of production is about 50,000 cigars.

I have been running less than full time during the past two years on account of hard times.

Domestic wholesale prices have been about the same in the past ten years.

There has been an increase in domestic manufacture.

We are manufacturing as many goods as we did in 1892.

It takes all that our skilled workmen make to live.

We have no difficulty in construing the existing law.

The cost of living in our locality has increased during the past four years.

The remedy for the present depression in our opinion would be to settle the tariff at once.

Selling prices have been the same since 1890.

Wholesale prices have been the same since 1892.

---

 No. 4329.
*Petition of the cigar manufacturers of Chicago.*

Hon. D. W. VORHEES,

*Chairman Senate Finance Committee, Washington, D. C.:*

We, the undersigned cigar manufacturers of the city of Chicago, representing 1,100 employes and a capital of \$1,000,000, beg of you to reconsider the proposed ad valorem duty on cigars and leaf tobacco, for should it become a law it will ruin the entire cigar and tobacco industry of this country:

WENGLER &amp; MANDELL.

PHILLIP WEINREB &amp; Co.

HUSTED &amp; GESSLER.

JACOB BENNER.

H. ZIMMERMANN &amp; SON.

SPOHN &amp; WALTER.

FRED. SEEGER &amp; Co.

BERRIMAN BROS.

B. OPPENHEIMER.

J. H. SYLVESTER.

H. B. FRANKLIN &amp; Co.

P. M. SCHWARZ &amp; Co.

EUGENE VALLENS &amp; Co.

PHOENIX CIGAR FACTORY.

ROTHSCHILD, BENDING &amp; Co.

FRED. BAUCH.

A. WOLF &amp; Co.

J. P. HANSON &amp; Co.

A. FROMHERZ.

S. LAWRENCE &amp; Co.

B. SPITZER.

No. 4330.

*Statement of Joseph Mendelsohn, Chicago, Ill., relative to duties on leaf tobacco.*

CHICAGO, March 6, 1894.

DEAR SIR: The telegram sent you to-day, of which we inclose the original, was caused by a report current in our newspapers that your committee intended to put an ad valorem duty on leaf tobacco of 75 per cent and on all imported cigars of 100 per cent.

An ad valorem duty applied to leaf tobacco or cigars would open the doors to continued frauds perpetrated upon our Government by under-valuation of invoices, and thereby create also a disastrous competition to such importers who intend to invoice their purchases honestly. It furthermore would not realize the revenues which your committee undoubtedly had in view when considering the change.

The greatest objection, however, consists in the fact that the practical application of your per centum of ad valorem duty would, beyond all doubt, destroy the cigar manufacturing industry of this country, an industry which employs an enormous capital and gives work to over 100,000 men, not figuring the women engaged in the pursuit of making cigars, nor the help employed by the tobacco-growers of the country, for whom, by your intended ruling, it would be impossible to engage any further in raising leaf tobacco.

Below I beg to give you a few examples of the practical working of your imposed duty on cigars, and they will no doubt expel at once the thought of inaugurating your intended change. The best solution of the question of duty to be imposed on leaf tobacco and cigars and the one which would bring the greatest revenue to the Government, the greatest good to the manufacturer, the greatest good to the consumer, and sufficient protection to the tobacco-growers of this country, and above all would give continuous employment to the help on the tobacco farm, and to the cigar-makers of the United States, which together number over 200,000, would be to impose a specific duty of 50 cents a pound on all leaf tobacco if not stemmed, and 75 cents a pound if stemmed, on cigars as provided for in the McKinley act, viz, \$4.50 a pound and 25 per cent ad valorem.

Respectfully submitted.

JOSEPH MENDELSON,  
157 Lake street.

Hon. D. W. VOORHEES,  
*Chairman Finance Committee, U. S. Senate.*

Havana-filled cigar made in Germany:

1,000 cigars, 50 marks .....	\$12.00
100 per cent duty .....	12.00
Tax .....	3.00
Total .....	27.00

Havana-filled cigar made in United States:

14 pounds Havana, at 50 cents .....	7.00
Duty thereon, 75 per cent .....	5.25
3 pounds Sumatra wrapper, at \$1 .....	3.00
Duty thereon, 75 per cent .....	2.25
Total .....	17.50
Expense of bringing here and profit of importer to manufacturer, 25 per cent .....	4.37
Domestic binders, 8 at 25 cents .....	2.00

## Havanna-filled cigar made in United States—Continued.

Stripping tobacco.....	\$1.50
Making 1,000 cigars.....	14.00
Packing 1,000 cigars.....	1.25
Cigar boxes.....	2.00
Shop expense.....	1.00
Internal-revenue tax.....	3.00

Total..... 46.62

Shortage in protection, over 160 per cent, and giving the importer the benefit of an import stamp, which is done on no other imported article.

## Cheap cigar made in Germany:

1,000 cigars, 12 marks, about.....	\$3.00
100 per cent duty.....	3.00
Internal-revenue tax.....	3.00

Total cost of 1,000 cigars f. o. b, New York..... 9.00

## Cheap cigar made in United States:

25 pounds leaf tobacco, at 12 cents per pound.....	3.00
Stripping the tobacco.....	1.00
Making 1,000 cigars.....	7.00
Packing 1,000 cigars.....	1.00
Cigar boxes.....	2.00
Shop expense.....	1.00
Internal-revenue tax.....	3.00

Total..... 18.00

Shortage in protection, 300 per cent, and giving the importer the benefit of an import stamp, which is done on no other imported article.

---

No. 4331.

*Reply of Peter Eikman, of Glencoe, Minn., importer of Sumatra and Havana wrappers and manufacturer of cigars.*

Rates of duty on importations, \$2 on all wrappers and 35 per cent on all fillers.

Wholesale prices of goods in domestic markets vary.

No change in our line by the act of 1890 in rates of duty.

Cost of goods increased since 1890 from 35 cents to \$2 on wrappers.

Wrappers such as we import can not be produced in United States.

Our goods have not been exported from United States to the countries from which we import them.

We do not export.

Goods are generally sold on time. Discount is made for cash.

We are purchasers and manufacturers.

We handle no commission goods.

We desire a specific duty. Ad valorem duty can be more easily evaded.

Cost of living about \$400 a year for plain family.

Amount of imports and value in past four years, \$7,000.



No. 4332.

*Reply of John H. Flood, Lynchburg, Va., manufacturer of tobacco.*

There has been no such fluctuations in cost of labor, price of money, or cost of living, or cost of raw material in the last ten years to elicit special comment. The greatest drawback to the trade has been the eternal agitation of the tax question. Had the tax of 24 cents, or even a higher rate, been permitted to stand until there was no longer a necessity for revenue from this source, it would have been far better for all concerned in the tobacco trade. Now that the tax has been reduced to 6 cents per pound no sane man, having the best interest of the tobacco trade at heart, would advocate an increase or diminution of it. Only the monopolist, who desires to concentrate the trade in a few hands and impose still lower prices upon the planter, would advocate a higher tax, and none but the unthinking and ignorant would advocate a lower tax.

The best interest of the Government, to which we should all look in the consideration of such questions, demands that no greater tax should be imposed upon any article of growth or manufacture than is necessary for its support, "economically administered;" and no discrimination should be made against any article which enters into the daily consumption of every class of our people. The great danger to be guarded against in framing our tariff laws is that of building up one interest at the expense of another. I wish to call your attention particularly to that clause of our revenue laws passed, I think, in 1890, permitting the sale of leaf tobacco direct to consumer without the payment of tax. This law was designed for the benefit of the planter and his alone, and were he alone availing himself of its benefits not a word of objection would be raised against it, but the fact is, that none of that class, or not 1 in 5,000, are exercising the privilege, and the consequence is that speculators have taken up the trade of dealing in "free leaf" and are retailing it all over the country to consumers in quantities from one pound to fifty pounds, thereby curtailing the manufacture of tobacco and the revenues of the Government to the extent of their sales.

It is needless for me to argue before you the gross injustice of such a law or its evil effects upon the manufacturers of tobacco and the planters alike, for what affects the manufacturer, they being the chief customers of the planter, equally affects the planter. The retail trade in "free leaf" conducted, I may say, exclusively by others than planters, has grown to such enormous proportions that the danger to the manufacturing interest and the revenues arising therefrom is alarming, and unless something is done to stop it the manufacturer and the large number of laborers employed by them must suffer, and the Government cease to look to manufactured tobacco as a rich source of revenue.

---

No. 4333.*Reply of M. Victorius & Co., importers of tobacco (Sumatra).*

Two dollars per pound is the duty on Sumatra tobacco.

Nothing is produced in the United States to correspond or compete with Sumatra tobacco.

Tariff act of 1890 changed the rates of duty from an average of 55 cents to a fixed duty of \$2.

Similar goods are not and never were produced in United States, and therefore no exports ever occurred.

Goods are sold on from four to six months time.

We are purchasers.

An ad valorem duty is positively impracticable. Sumatra tobacco is bought in running lots, containing good and bad goods. A firm can then save enormously by importing the lot at the purchase price (which will be low on account of poor goods in the lot) and then exporting the poorer marks. The Government would be an enormous loser.

Revenue is desired, and if a rate would create the greatest revenue and the best protection at the same time, that rate is certainly to be desired. Fifty cents duty for all tobaccos imported would enhance the value of domestic filler tobacco considerably, and at the same time fine binder tobacco would be demanded, and Connecticut would in that way be benefited, while the Government receipts would be increased fully 50 per cent. Fifty cents for all tobacco is the key to the situation.

---

No. 4334.

*Reply of H. Brossman & Son, of Reading, Pa., manufacturers of cigars.*

The \$2 duty, as provided by the tariff of 1890, increased the cost on good cigars to such an extent as to wipe out all the profits to the manufacturer. To raise the price of cigars was impossible, and, therefore, the high tariff compelled us and all other manufacturers to cut down the wages of the cigar-maker and give the consumer an inferior quality of filler instead of Havana. This certainly was the only way the manufacturer could realize a profit on his goods. Besides, the \$2 duty required too much capital for the majority of manufacturers, and, therefore, the high tariff is only for the few largest manufacturers to monopolize the country and drive the small and middle class out of business. The Sumatra is a necessity to the cigar trade, and the lower the tariff the better; that is our raw material. So give us low tariff.

We are employing from 20 to 30 cigar-makers. They now average at least \$2 per week less than they did four years ago.

---

No. 4335.

*Reply of William Dittess, of Newburg, N. Y., manufacturer of cigars.*

[Established in 1887.]

The goods made by me were mostly all 5-cent goods, that is, cigars that would retail for 5 cents each, and would wholesale for from \$24 to \$30 per 1,000, mostly the former price. I could not state the amount of goods or the value of same very well.

The last year I have not been running on full time by any means, the reason for it being principally dull times and competition.

The principle domestic prices at wholesale are those above stated and are the same at present.

I am not manufacturing near as many as I was in 1892. The reason why is, business has fallen off greatly in the past year.

Wages have been getting lower in some branches of business.

The present depression in business is due to more than one cause; possibly in some cases it may be overproduction; in another, the unsettled tariff question, and I think the settlement of the tariff will remedy it greatly.

I think immigration may have hurt us in many ways and may have helped us in others. If there have been people out of work here, and more people coming to this country looking for work, and we could not give them any work, why I suppose that hurts us.

Forty-eight hours constitutes a week's work in this business, by union rules passed by us years ago.

I think if the Government needs more money it should come from imports and not be placed on our industries and taken from goods that benefit this country by any means. My expectations were that \$1 would be taken from the revenue on domestic cigars anyway, which I think should be, by all means. It would be a Godsend to us if it were taken off, and I think it should be, and placed on imported cigars, by all means. We have all we can do to make out already, and my hopes are that \$1 at least will be taken from it. If more were to be placed on it it would reduce a man's wages \$1 at least and the rest would come out of the manufacturer's pocket, and I hope your honorable body will do all that can be done to have it taken off. If placed on imported cigars it will no doubt give our trade more work and that will mean more money for the Government. Give us more coinage to do more business and help the workingman also.

---

No. 4336.

*Reply of H. Browning Taylor, of Le Raysville, Pa., manufacturer of cigars.*

I have been a grower of tobacco and manufacturer of cigars for twelve years. As such, I believe the duty on tobacco should be reduced to 25 cents per pound on fillers and 35 cents per pound on wrappers. The present heavy duty has not been as much benefit to growers as to importers and wholesale dealers.

The highest price I have known growers to receive in this section since the high tariff is 19 cents per pound for running lots, against 16 cents before. Some grades of American tobacco (according to dealers' lists before me), now cost nearly double as much as before the advance of duty on foreign. This shows who derives the most benefit from the high tariff. A reduction as above named would put large and small factories more on an equal footing for business, and should be a sufficient protection to American growers. I speak from personal knowledge in saying that on an average of 12 cents per pound for running lots growers here can make more money, as a rule, than on any other ordinary farm crop.

I believe a specific duty is preferable to ad valorem duties wherever practicable, as encouraging importation of a better grade of goods, with less inducement and chance for fraud.

No. 4337.

*Reply of the Owl Cigar Company, of New York City and Florida, manufacturers of cigars.*

Permit me to say that I certainly do not favor an ad valorem duty on tobacco or anything else where it is possible to have the duties specific.

I am of the opinion that \$1 per pound on all tobacco would yield the Government the greatest revenue and give to the trade the greatest satisfaction, and make all fraud impossible; and why not? Free-trade England imposes a duty of 88 cents on tobacco of all kinds. In a general way, I would say that I have expended about \$500,000 in an effort to revive the lost industry in the State of Florida. The cultivation of tobacco was assuming very respectable proportions, and the farmers in Gadsden and adjacent counties were in a fair way to become prosperous in the cultivation of tobacco. The agitation of the tariff has about killed the industry, and the few New Yorkers who had erected warehouses and intended to embark into the business with a will, have simply abandoned it; but I suppose it is useless to argue. The political side of the question overshadows everything else, and the change in the tariff will be made, no matter what the consequences. The best possible thing, in my estimation, that could happen would be to permit the American industries to work out their own salvation. Give them, at least, an opportunity to get thoroughly familiar with the workings of one tariff before enacting another.

Pardon me for this digression. I am not a protectionist in a strict sense of the word, but, as a manufacturer, I have suffered so much because of this constant tinkering with the tariff that I am disgusted with the whole subject. I have about concluded to manufacture and raise tobacco as long as the powers that be will permit it, and, when it is no longer profitable, I will simply stop.

---



---

No. 4338.

*Reply of ———, of ———, importer of tobacco.*

[Name and location withheld by request.]

Cost of production is higher than ten years ago on account of scarcity of skilled labor in the island of Sumatra.

I pay a duty of \$2 for Sumatra and 35 cents for Havana.

Our imports correspond with no domestic goods in reality, our wrapper tobacco for cigars being as much inferior in appearance and style to Sumatra wrapper as cotton is to silk.

My domestic wholesale price depends altogether upon the seasons, wrapping tobacco, used for cigars, bringing all the way from 7 to 25 cents.

Only the specific rate of duty on Sumatra was changed by the tariff act of 1890, which at that time was 35 to 75 cents. There have been many suits brought against the Government for all duty over 35 cents. The way I understand it, the Government has lost these suits and will now have to refund everything above 35 cents.

Cost of goods since 1890 has depended on the supply abroad. Prices have averaged about the same as before; if anything, a little more has been paid on account of the scarcity of the most desirable goods.

As we can not raise such tobacco as the island of Sumatra or Cuba produces, we would not have it to export.

Sumatra is not sold on the island of Sumatra, but shipped to Amsterdam, Holland, and there sold at auction to the highest bidder in large quantities. As to the local market of Havana, in the island of Cuba, I am not posted. Ten per cent is considered a good profit on either Sumatra or Havana in our market. If anything, the profits are rather less than 10 per cent than above this.

Goods are sold on four months generally, but six is occasionally granted.

I am a purchaser and buy personally or through a representative in Amsterdam or on the island of Cuba.

In Amsterdam, Holland, 3 per cent interest is about the customary rate in business transactions. Do not know as to Cuba.

I desire the specific rate of duty by all means, without any catch for the trade such as was in the original bill now before the Senate ("commercially known as wrapper tobacco"). It would be claimed that there is no such thing in the trade, leaving too large a loophole for unscrupulous handlers of the tobacco to defraud the Government out of duty, making it almost impossible for a reliable and honorable house to compete, as was the case before the duty was changed, in 1890, on Sumatra tobacco.

The duties are most likely to be evaded under the ad valorem duty.

Value of imports have been about \$200,000 for the last four years. Under favorable conditions I might, however, import that much in one year. All depends upon the crops and prices.

Domestic productions can not compete at all; for if a man wants silk, cotton will not take its place.

The cost of transportation from Amsterdam, Holland, is about 60 cents a hundred, and from the island of Cuba about 50 cents a hundred.

As far as tobacco is concerned I suggest a positive and specific duty.

It is my opinion that it would be best for our farmers and the trade, if Congress would pass a law making the duty on all imported tobacco 50 or 75 cents. Heretofore, Havana fillers have come in under the rate of 35 cents duty. There is fully as much of this tobacco imported, if not more—I have not time to look up statistics—than there is of Sumatra, which is used for wrappers on a cigar. Consequently, what the Government would lose in income on Sumatra would be made up to it through a higher rate on Havana fillers or Cuba tobacco. Two-thirds of what our farmers raise is used for filler purposes, and if the rate of duty on Havana tobacco were increased to 50 or 75 cents, this would give that proportion of their tobacco a better chance in the market, while the wrapper portion, as already explained, would not be affected. Secondly, a uniform rate of duty on all imported tobacco would make it impossible for the importers to evade it in any way.

Pardon me if I use this opportunity to urge upon you to pass the tariff bill, no difference in what shape, if without further delay. Business men can stand anything but this uncertainty; our line of business has been almost at a standstill for the last three or four months. I am a Democrat, and, outside of the losses that are occurring in the tobacco trade, I fear that the Democratic party will be thrown out of power at the next election. In the first place, the income tax will lose



thousands of votes from men who will have to pay the income tax, while the laboring men and wage-earners in general have had a hard time to find employment for one-half or one-third of their time, and are becoming very bitter on account of the stagnation in business, caused by the delay in the tariff legislation.

---

No. 4339.

*Reply of Cullman Brothers, of New York City, importers of Sumatra tobacco.*

The duty on our importation is \$2 per pound.

Our imports do not correspond with the character of any domestic goods.

The tariff act of 1890 changed the rate of duty on tobacco suitable for wrappers from 35 and 75 cents per pound to \$2 per pound.

Sumatra tobacco has increased in cost in Holland since 1890 from 25 to 35 per cent.

Sumatra tobacco or such goods as we import can not be produced in this country.

We desire a specific rate by all means, it being the only just manner of collecting duties on leaf tobacco; ad valorem duty can be easily evaded by irresponsible importers.

Under an ad valorem rate, duties are most likely to be evaded.

There is no competition between leaf tobacco produced in the United States and Sumatra tobacco, there being no substitute for the latter.

Give us a specific duty on all imported tobacco; it matters not what the rate may be. In our opinion a uniform rate of 50 cents per pound would give the Government a larger revenue than the proposed rate of duty, protect the domestic product more, and tend to make less of a monopoly of the cigar manufacturing industry.

---

No. 4340.

*Reply of Weil & Co., of New York, importers of Havana fillers and Sumatra wrappers.*

On our importations from Havana the rate of duty is 35 cents per pound. On our importations from Holland the rate of duty is \$2 per pound.

No domestic tobacco can compare with the tobaccos we import.

No change was made on fillers by the tariff act of 1890.

The duty on wrappers was raised by the act of 1890 from 35 and 75 cents per pound to \$2 per pound. The duty was specific and is still specific.

The cost of Sumatra wrappers has increased since 1890 over 30 per cent. The cost of Havana fillers is about the same.

The articles we import can not be raised in this country.

Sumatra wrappers have been reexported from the United States to Holland, and large quantities of certain kinds, now in bond in the United States, will have to be reexported to Holland because they can



not stand the present exorbitantly high duty of \$2 per pound. The laws of Spain and her provinces prohibit the reimportation of Havana tobacco to the island of Cuba.

We are purchasers.

Specific and uniform duty is desired because specific duties are more equitable than ad valorem duties.

Ad valorem duties, as experience shows, are a temptation to undervaluation and consequent evasion, while a specific and uniform duty, i. e., so much per pound on all unstemmed leaf tobacco, renders evasion next to impossible.

As Sumatra wrappers and Havana fillers can not be produced in the United States, there is absolutely no competition.

---

No. 4341.

*Reply of Samuel Kasdin, of Tower, Minn., importer of Sumatra and Havana tobaccos.*

I pay duty on Sumatra of \$2 per pound, and on Havana 35 cents per pound.

There are none of those qualities grown in this country.

My wholesale prices are from \$50 to \$70 per 1,000.

The duty on Sumatra was raised from 75 cents per pound to \$2 in 1890.

Cost of goods imported by me has not changed since 1890.

These goods can't be grown in the United States.

We sell our goods on thirty to ninety days' time.

I am a purchaser.

It would not materially make any difference to me whether ad valorem or specific duty is enforced.

Protection exists in the country of manufacture.

Of all European countries, France has been most prosperous during past twelve months, from the fact of increased facilities and demand for their productions.

I suggest that a small duty on the raw material should be imposed on such goods as can not be produced in this country and a higher duty on the manufactured article.

---

No. 4342.

*Reply of O. C. Rosenberg, importer of Sumatra and Havana tobaccos.*

I do not import such; use only the imported raw material, Sumatra and Havana tobaccos. Sumatra can be used for wrappers only. The present duty, \$2, has helped only a few growers of domestic leaf to get an advanced price, and then only when all the elements were in their favor to produce an extra fine crop. Even then there is only a small percentage of the crop that are fine wrappers in a very slight degree compares with Sumatra; the consequence is, very few growers here are benefited, while thousands of manufacturers of cigars are compelled to advance the heavy duty and thus increase the capital used in their

business and make a less percentage of profit. At present there is a regular stagnation in the manufacturing cigar trade, principally owing to the Wilson bill proposing to reduce the duty on Sumatra from \$2 to \$1 from this fact. It takes on an average about 3 pounds Sumatra to the 1,000. Should the Wilson bill become a law, cigars wrapped with Sumatra can be made to cost \$3 less than present price, the actual difference in the duty. Consequently, the jobbers and retailers anticipating the passage of the Wilson bill are buying from hand to mouth and doing their best to unload. The manufacturer is making only such goods as he has orders for, not wishing to be caught with much stock, knowing he will lose about \$3 on every 1,000 he has on hand should the Wilson bill become a law.

If the Wilson bill embraced the rebate clause so that the manufacturer was sure he would get a rebate on all cigars on hand wrapped with Sumatra, there is no doubt that trade in this line would be as good as usual.

---

No. 4343.

*Reply of William H. Nodine, of Syracuse, N. Y., importers of tobacco.*

We import Havana fillers and Sumatra wrappers as raw material for manufacturing cigars.

Cigars manufactured from these materials cost about one-half (exclusive of duty) in country of manufacture.

Rates of duty, \$2 per pound on Sumatra wrappers, 35 cents per pound on Havana fillers, both specific.

These tobaccos do not in any way correspond with domestic goods, because it is nature's gift to the soil and can not be imitated.

Average wholesale price about \$50 per thousand, domestic market.

Sumatra was increased from 75 cents to \$2 per pound, specific, by tariff act of 1890.

The cost of manufacturing has increased 10 per cent since 1890.

These tobaccos can not be grown in this country, therefore it is impossible to export under any conditions.

Import only raw material, but with less duty on manufactured cigars than at present would certainly decrease the production in this market without reduction in wages on high grade cigars.

Our goods have not been exported from this country, because they can not be produced here.

No export trade has ever existed on cigars made from these tobaccos.

Not much change in price of Havana fillers, but in Sumatra, 1884, cost in this market, including 75 cents duty, highest, \$1.65 per pound; 1890, \$2 duty, \$3.70, and in 1892 and 1893, from \$4 to \$5 per pound.

Goods are sold on two to four months' time.

We are purchasers.

Ten per cent commission is paid for handling goods.

At least one-half less is paid for wages in the country of production than is paid here.

We desire specific duty, because you can not determine the cost on our goods, and specific is by all means advisable.

Ad valorem duty is most likely to be evaded.

Cuba, I believe, prohibits importation of leaf tobacco into her market. The Amsterdam market has some protection, but is not a consumer of other tobaccos.

About \$20,000 yearly is the value of our imports past four years.

Competing with domestic production applies to us only with others manufacturing same goods and with the aid of the present duty on manufactured cigars.

About 10 or 12 per cent is cost of transportation.

---

No. 4344.

*Reply of E. Rosenwald & Bro., of New York, N. Y., importers of tobacco.*

The market for Sumatra is principally Holland, a small percentage being sold in Germany. Market for Havana wrapper and filler is Havana. All these tobaccos are raw materials.

Duty on wrapper tobacco, Sumatra and Havana, \$2 per pound; duty on Havana filler, 35 cents per pound.

Our imports do not correspond with any domestic goods.

The rate of duty was changed by the tariff act of 1890 from 75 cents to 35 cents per pound; on tobacco suitable for wrappers, to \$2 per pound. Rate of duty is specific.

The cost of Sumatra wrapper tobacco has increased 40 per cent in Holland since the tariff act of 1890.

Sumatra tobacco can not be produced in this country, as the climate and soil are detrimental to its growth. All attempts have utterly failed.

Not being a home product, and not raising anything to equal it, can not export it. The only Sumatra tobacco exported from this country was done because the rate of duty was too excessive.

Goods are sold on four to six months.

We are purchasers.

A specific rate of duty is desired, because it is the most equitable manner of collecting duty on leaf tobacco, or because an ad valorem duty can easily be evaded by irresponsible parties.

Duties on tobacco are most likely to be evaded under an ad valorem duty.

The years before the act of 1890, we imported nearly as much per year as we have imported in 1891, 1892, and 1893 together.

Leaf tobaccos produced in this country are so much inferior to those we import that they are no competition.

It is our opinion that inasmuch as the Government needs a revenue, and as it desires to protect the domestic product of leaf tobacco, that a uniform rate of duty of 50 cents per pound on wrapper and filler tobacco would not only largely increase the revenue of the Government, but would also protect the domestic product in a full measure. As long as the duty of \$2 or \$1 per pound on wrapper tobacco—which we consider high protective tariff—continues, the large cigar industry of this country would remain in the hands of a few manufacturers, would decrease the compensation of labor, would decrease wages, and would deprive men of small means of making a livelihood.

No. 4345.

*Reply of M. Lindheim, of New York, N. Y., importer of tobacco.*

We import Havana tobacco, raised on the island of Cuba.

Being a product of the soil, and handling it in its raw state only, its cost of production is subject to labor on plantations, etc.

We pay 35 cents per pound on such as is used for filler purposes and \$2 per pound for wrapper purposes.

Our imports do not correspond with domestic goods.

The domestic wholesale prices of our goods are various.

Prior to the tariff act of 1890 the rate of duty was 35 cents per pound for filler and wrappers on Havana tobacco; the tariff of 1890 changing same as stated under paragraph 4.

The cost of our imported goods is about the same.

If Havana tobacco should be allowed to enter free or at as low rate of duty (for both filler and wrapper tobacco) as the law is now for filler (35 cents per pound) for unstripped tobacco, the U. S. Government would yield a large revenue from that source, and our idle workmen would be steadily employed at satisfactory wages; the farmer in this country would obtain better prices for his tobacco by reason of the increased consumption, all of which would be surely realized if the tariff on imported cigars should remain as it now stands under the present law.

Neither Havana tobacco, nor a substitute, can be raised in the United States.

The articles we import have never been exported from this country to the countries from which we import them.

From this country we only export Havana tobacco to Canada.

The prices are subject to conditions of each year's crop.

Goods are sold on four months.

I am a purchaser and import direct.

Commission houses for Havana tobacco in this country are supposed to charge  $2\frac{1}{2}$  per cent.

The average rate of interest in the country on our goods varies.

We employ farm labor.

We desire a specific duty only; ad valorem leads to fraud.

Specific duties can not be evaded. An ad valorem duty will work to the detriment of the Government and the honest importer.

I handle about 3,000 bales of Havana filler tobacco per annum; average of each bale about 110 pounds net.

We have no competition of domestic production.

The cost of transportation from point of manufacture to destination has been about the same for the last ten years.

England has been most prosperous during the past twelve months owing to its free and liberal laws. Custom-house rules could be more simplified.

My views on tariff on imported tobacco generally are the same as those of other importers and leading manufacturers, viz: To have one specific duty of 35 cents per pound on all tobacco of foreign growth, whether used for filler or wrapper purposes, thereby increasing revenue for Government—steady employment to over 100,000 workmen and better prices for farmers raising tobacco in the country than under higher tariff rates.

To further protect our workmen, make the duty on stripped tobacco 50 cents per pound more than unstripped; otherwise a large percentage will be stripped in Cuba, depriving 20,000 American workmen of that work.

No. 4346.

*Reply of Morris & Batt, of New York City, manufacturers of cigars.*

The Wilson bill, as passed by the House of Representatives, would necessarily drive out of this country the industry which now supplies the public with an all-Havana cigar, of equal quality of the imported article, for at least one-third less than the imported.

It would not only drive out many thousands of operatives now employed, but also cripple those who have invested large amounts of capital and have for many years labored hard to create a demand for their product. The Wilson bill reduces the duty on Havana wrappers from \$2 to \$1 per pound, which means a reduction of only \$3 or \$4 per 1,000 cigars, while the same bill reduces the duty on imported cigars from \$4.50 to \$3 per pound, and as the average weight of a thousand cigars is 12 pounds the reduction is \$18 per 1,000 cigars. So much has been written on this subject that we still hope your honorable body will rectify the mistake made by the House of Representatives and change the tobacco clause to suit the demands of the American manufacturer, as well as the American people. The duty on raw material should be so as to enable the manufacturers to at least compete with the foreign. If the duty on all unstemmed tobacco would be placed at 50 cents per pound and the duty on the manufactured article left as at present, \$4.50 per pound, the American made all-Havana cigar would no doubt be exported, by which means we would be able to give steady employment at better wages to many more workmen than at present, and by such larger outputs the Government would derive a greater amount of revenue.

---

No. 4347.

*Reply of A. Cohn & Co., of New York City, importers of tobacco.*

We beg to confirm our telegram of to-day, reading "Ad valorem duty on leaf tobacco and cigars will open the doors to unlimited fraud, thereby greatly diminishing the revenue to the Government, and will undoubtedly destroy these industries and ruin the grower."

Being growers ourselves in Florida, where we have a large plantation, importers and dealers of domestic leaf tobacco, are able to look at this question in an impartial manner.

An ad valorem duty would simply ruin these industries in this country, and, should you so desire, we can give you many reasons to show how the Government would be unable to collect its just revenues.

---

No. 4348.

*Reply of A. Blumlein & Co., of New York, importers of tobacco.*

We import Sumatra wrapper tobacco, Havana wrappers and filler tobacco. Market for the Sumatra wrapper is Holland; for the Havana tobacco, Havana, Cuba. All these tobaccos are raw material.



Duty on Sumatra and Havana wrapper tobacco is \$2 per pound; on Havana filler tobacco, 35 cents per pound.

Our imports correspond with no domestic goods.

The rate of duty was changed by the tariff act of 1890 from 35 and 75 cents per pound on tobacco suitable for wrappers to \$2 per pound, specific duty.

The cost of Sumatra tobacco has increased in Holland about one-third since the tariff act of 1890.

The tobacco we import can not be produced in this country.

Quantities of Sumatra tobacco have been reexported on account of the present excessive rate of duty.

We sell on four and six months' time.

Specific and uniform duty on wrappers and fillers is desired, because it is the most equitable manner of collecting duty on leaf tobacco, and because an ad valorem duty can easily be evaded by irresponsible parties. Especially on Havana tobacco there is no accurate dividing line between wrappers and fillers, and therefore the importer and the Government are subject to heavy loss by imperfect appraisements, whereas with a uniform specific rate per pound there can not be any error or fraud committed.

Duties are most likely to be evaded under an ad valorem rate.

Leaf tobacco produced in this country is no competition to the tobacco which we import, by the fact that the domestic article requires Sumatra tobacco in its combination to produce perfect cigars.

Our views are: As the Government needs a revenue, and in order to protect fully the domestic product of leaf tobacco, that a uniform rate of duty of 50 cents per pound on all unstemmed and 75 cents per pound on all stemmed leaf tobacco would largely increase the revenue of the Government. A high protective tariff (\$1 per pound) on the indispensable wrapper tobacco will concentrate the large cigar industry in the hands of a few large manufacturers, impoverish the multitude of men of small means, and tend to decrease the compensation of the laborer.

---

No. 4349.

*Reply of Leonard Friedman & Co., of New York City, importers of tobacco.*

We import the Sumatra wrapper leaf tobacco, which has not been and can not be raised in this country.

Prior to 1890 the duty on this tobacco was 35 and 75 cents specific, making an average of 55 cents. The act of 1890 raised it to \$2 per pound, specific.

The importations in 1887 were 4,213,336 pounds; in 1888, 5,861,472 pounds; in 1889, 5,024,455 pounds; and in 1890, 9,734,999 pounds.

The importations since the tariff of 1890 went into effect, were: From October 6, 1890, to June 30, 1891, 689,654 pounds; in 1892, 3,073,175 pounds; in 1893, 5,919,203 pounds.

All figures given above are for the fiscal year ending June, 30, showing that considerably less was exported since the tariff act of 1890 passed; but the large quantities imported were upon the theory that the cigar manufacturers were compelled to use as large quantities of Sumatra wrapper tobacco as formerly, in spite of the increased rate of duty. The result has been that there have been heavy exportations of this tobacco to the place from which it was imported, as it could not pay



the high rates of duty so that the revenues derived by the Government are not as large under the high rate of duty as they were under the lower rate. Up to and prior to 1890 all Sumatra tobaccos imported were withdrawn for consumption. Since the present law became operative, the withdrawals for consumption have fallen off to a great extent compared with former years. The smaller manufacturers have endeavored to use a substitute article for this tobacco, as they do not have the requisite cash with which to pay the duties, as well as the price of the tobacco itself, while the few large manufacturers of cigars in the United States have heavily increased their output by reason of the large capital which they possess.

Petitions have been forwarded to the Ways and Means Committee signed by nearly all the cigar manufacturers of the United States, as well as all the cigar-makers' trade unions, requesting a lower rate of duty.

The Wilson bill proposes a reduction of \$1 per pound, specific duty. This is not low enough, and we would request your honorable committee to make a still further reduction in the rate, to say 50 cents per pound, specific, which would be more just to the manufacturers and relieve many hardships created by the \$2 duty imposed in the existing tariff.

The result has been, under the present law that a large number of the smaller cigar manufacturers have been driven out of business, and the rate of wages of cigar-makers has been reduced because of the \$2 rate of duty, which practically makes a monopoly of cigar manufacturing in this country. A bale of tobacco weighs about 170 pounds, which requires the payment of \$340 duty, and the cost of the tobacco is from \$175 to \$225 additional.

A specific rate of duty is advisable, as it prevents undervaluation by unscrupulous and irresponsible parties.

---

No. 4350.

*Reply of Henry Freedman, of New York City, importer of tobacco.*

I am an importer of Sumatra and Havana tobacco, tobacco of a quality and texture not produced in this country, and, therefore, not competing with the domestic products. I am in favor of a specific duty of 50 cents per pound on all tobacco. Of a specific duty, for the reason that such alone will prove an absolute safeguard against fraud; that it will obviate all doubt and discrimination in the appraisement of tobacco; that is the simplest, and hence least expensive to the Government to collect. My reasons for advocating a duty of 50 cents per pound are manifold. While the importations of Sumatra tobacco since the tariff act of 1890 has been in effect may have equalled those prior to the enactment of that bill, the withdrawals for consumption have been considerably diminished.

Small manufacturers have been forced out of business to the aggrandizement of the few large ones, because the duty on Sumatra tobacco under the present law (170 pounds per bale, at \$2 per pound) viz, \$340 is almost double the average import value of the tobacco itself, necessitating the exportation of large quantities imported, because of their inability to bear the excessive rate of duty. The Wilson bill proposes a reduction of the present rate of duty to \$1 per pound. This reduction is by no means adequate. A duty of \$1 per pound is almost

equivalent to the import value of the article and will necessitate the exportation of large quantities of Sumatra tobacco now in bond.

A duty of 50 cents per pound on all tobaccos, such as I advocate, will stimulate manufacture generally, restore the diminished revenues to their quondam proportions, and operate equitably by enabling the small and pecuniarily cramped manufacturers and bench workers to compete with the gigantic manufacturing concerns in their struggle for existence.

---

No. 4351.

*Reply of ———, of ———, importers of tobacco.*

[Name and location withheld by request.]

Each plant produces three grades: Wrappers, binders, and fillers. Can not give the cost of the production of the wrappers.

We pay a duty of \$2 per pound.

Our imports correspond to no domestic goods. A part of the sandy lands along the Connecticut River in Connecticut and Massachusetts produce cigar wrappers, forming but a very small proportion of the wrappers used on cigars retailed at 5 cents each and upward, and for which the imported wrapper is exclusively used. Nearly all other domestic wrappers are used for cheaper grades of cigars.

Wholesale prices, less all discounts, 40 cents to \$2.50 per pound; average value about \$1.25 per pound.

The duty averaged about 50 cents on cigar wrappers and was raised to \$2 per pound.

The importation cost increased not in 1891, but in 1892 and 1893, about 25 per cent, in spite of the enormous increase in the duty.

The United States has not the soil and climate combined and requisite to produce this sensitive article for export or home trade.

The article is grown, not manufactured.

We export no similar tobacco. We export largely domestic cigar leaf for common cigars, at a low price.

Tobacco is sold on 4 to 6 months; but duties, \$2 per pound, are cash.

We are purchasers.

We receive no commission.

We desire a specific duty on tobacco, because it is difficult to value.

At present there are two different specific rates of duty on tobacco. One specific uniform duty on all grades would prevent evasions (on the tempting difference between rates of 35 cents and \$2 per pound) by appraisers, exporters in Europe and Cuba, and importers; or, as proposed in the Wilson bill, of 35 cents and \$1 per pound.

In general the imported cigar wrappers do not come into competition with our domestic, the former being incomparably superior in all respects.

The tariff of \$2 per pound on cigar wrappers did not help to raise the wages of the cigar-maker, nor help to protect 90 per cent of the growers of domestic cigar leaf. The tendency under this high duty is and has been to drive this large and widely diversified industry into the hands of a few large cigar manufacturers with ample capital to sell their product on time and still pay their duties (\$2 per pound) cash. Before 1890, under the lower tariff, many cigar-makers with small capital could start cigar factories and be successful; they can not do so now and compete, unable to raise the capital to invest success-

fully in the indispensable and superior imported cigar wrappers to the necessary extent.

Of the growers of domestic cigar leaf but comparatively few are benefited, as not  $7\frac{1}{2}$  per cent of the cigar leaf grown is used on cigars retailed from 5 cents upward, the same as the imported wrapper.

We consume about 3 pounds imported fillers and binders to 1 pound of imported wrappers, at 35 cents duty on fillers and \$1 per pound for wrappers; as proposed by the Wilson bill the average would be  $51\frac{1}{4}$  cents per pound. If, then, a uniform duty of 50 cents per pound was adopted, it would (1) stop all chances to evade the payment of the higher rate of two different rates, practiced at present and in the past; (2) the small cigar manufacturers could compete with the large.

For revenue purposes fully as much, and likely more, could be obtained than by two different rates.

Fully 80 per cent of our domestic cigar leaf (nine-tenths of which consists of binders and fillers) is grown in the States of Wisconsin, Ohio, Pennsylvania, New York, and Illinois. We believe that 90 per cent of the growers in these States would welcome the additional duty of 15 cents per pound on imported fillers and binders (which a uniform duty of 50 cents per pound, both on wrappers and fillers, would bring about), whether it would benefit them or not.

And the workmen in the cigar factories would most likely demand and receive higher wages, on account of the reduction in the duty of the raw material.

The benefit would certainly accrue to the many as against the few.

We, and the trade at large, view with alarm the rumor current since yesterday (March 2), that your honorable committee means to report an ad valorem duty of 75 per cent on leaf tobacco.

We hope there is no truth in this; it would cause untold mischief and injury to the whole industry and to the revenue to be collected on tobacco.

No more than on diamonds, teas, wines, cigars, etc., could a high ad valorem duty be collected fairly on leaf tobacco. Less so on cigar wrappers, which diverge: Sumatra, from 40 cents to \$2.50 per pound; Cuban wrappers, from 50 cents to \$6 per pound. With figures and values so far apart, a product with so many qualifications, taste, flavor, color, burn, texture, age, appearance, utility, etc., puzzling the oldest and most experienced experts, how could any Government appraiser establish the value or the correctness of a foreign invoice? There is not a single plausible point in its favor, except to drive the business into the hands of foreign exporters, through their agents here. The resident importer, who values his reputation, would be driven out of the market.

Enormous undervaluations and evasions must follow with little risk of detection, and certainly no fear of conviction or punishment.

No country has ad valorem duties on leaf tobacco (and surely could not collect high ones), because found impossible and impracticable of collection.

On leaf tobacco there can be but one honest duty collected, fair and equitable to all, the trade and the Government's revenue, and that is a specific duty per pound.

We are willing to illustrate this by figures and facts, but fear are already encroaching too much on your valuable time and kind indulgence; can do so at any time if you will kindly inform us.

P. S.—Permit us to say that a speedy adjustment of the tariff is paramount to everything; widespread injury must continue every day's delay.

No. 4352.

*Reply of Rothschild & Bro., of Detroit, Mich., importers of tobacco.*

We import leaf tobacco suitable for wrapper from Holland, and filler tobacco from the island of Cuba.

Leaf tobacco grown in the Dutch Indies and coming from Holland costs about 90 cents, Dutch, or 36 cents (our money) to raise, and Cuba places a cost of about 30 cents (our money) to raise tobacco. The cost of exclusive wrapper tobacco from Holland is, of course, increased, inasmuch as the cost of 36 cents (our money) includes percentages of poor, unsuitable, short, and broken tobacco entirely unfit for wrapper purposes.

Wrapper duty is \$2 per pound; filler duty, 35 cents per pound.

This country does not and can not raise any tobacco which corresponds to the foreign tobacco which we import, essentially for climatic reasons. We buy fillers from the States of New York, Ohio, Pennsylvania, and Wisconsin, and in Connecticut some wrappers which are only suitable and available for a cheaper grade of goods.

Prices of domestic wrappers do not average above 3 cents a pound, and fillers from 7 cents and 15 cents per pound.

The duty on wrappers was changed from 35 cents and 75 cents per pound by act of 1890, according to the weight of the tobacco, to \$2 a pound.

Filler prices remain the same in Cuba as in 1890, while the price of Sumatra tobacco increased to a marvelous extent, and for the following reasons: Under the old duty we were able to import different classes and grades of goods, and under the \$2 duty only a small portion could be bought for this country and that being only of the extreme fine and sound leaf, promising a large yield of wrappers and being worth taking from bond at a \$2 duty. Under these conditions competition was so keen that tobaccos usually bought at \$1.50 brought under the tariff of 1890 as high as \$3. The ordinary grades of goods could not be imported, and in consequence prices receded in Holland from 75 cents to half of that value.

Such goods as we import are not raised and grown in this country.

We export every year four times the quantities of our imports, which is being used in foreign countries in the same manner in connection with Havana and Sumatra tobaccos.

There is no difference in our export price, unless the decline in value lies in the quality of the goods.

There has been no material difference in the price of the manufactured goods during the years 1884, 1890, and 1892. The increased expense in the latter year has been met by the manufacturers.

Goods are sold on from four to six months' time.

We are purchasers only.

We do not handle goods on commission.

Average rate of interest is about 6 per cent in country of production.

We are unable to give the price of labor under this article, being unaware of the conditions of the different countries where these foreign tobaccos are grown, but both countries, however, are, for climatic reasons, entirely different from our northern climate, and no comparison can possibly be made.

A specific and a uniform duty is desired because it is impossible to agree upon an actual value of our raw material; a uniform duty is certainly necessary as it would avoid annoyances and trouble to the

importer, and would place the Government official in an assured position to conscientiously perform his duty. A uniform and a specific duty would avoid all these difficulties.

Duties will be more evaded under ad valorem duty than under a specific duty.

Holland has a low rate of duty, seldom exceeding 5 per cent. Cuba under the reciprocity treatment allows our goods to come in free.

We import \$400,000 worth per year.

We deal in both the domestic and foreign article. There is no competition. Our country does not cultivate such tobacco and we can not compare ours with either Havana or Sumatra, and our domestic tobacco is purchased by foreign countries for a cheaper grade of cigars and for the same purposes as our country.

Each European country prospers under the various conditions of free trade and protection.

We have little to suggest concerning the administrative features of the customs laws; we consider customs administrative act of 1890 to be a decided improvement over the foregoing acts.

---

No. 4353.

*Reply of Joseph Merfeld & Co., of Baltimore, Md., importers of tobacco.*

We pay on filler leaf, if unstemmed, 35 cents, and if stemmed, 50 cents per pound; on wrapper leaf, if unstemmed, \$2, and if stemmed, \$2.75 per pound.

In our judgment no tobacco is grown in the United States to be compared to Havana or Sumatra tobacco for the purpose of manufacturing cigars.

Prices on Havana fillers are from 85 cents to \$1.30 per pound; on Havana wrappers from \$3 to \$6 per pound, according to quality and yield; on Sumatra wrappers from \$3.25 to \$4.50 per pound, according to quality, color, and yield.

The change made in our goods by the tariff act of 1890 was on wrapper leaf. Previous to the act of 1890 wrapper leaf containing less than 100 leaves to the pound was admitted at 35 cents per pound, and those containing 100 leaves and over were admitted at 75 cents per pound. Under the act of 1890 the duty was placed at \$2 per pound for unstemmed and \$2.75 per pound for stemmed leaf tobacco.

The cost of Havana and Sumatra wrapper leaf imported by us since 1890 has increased. On Havana wrappers we estimate the increase at about 15 per cent and on Sumatra wrappers, during 1891 and 1892, at about 25 per cent, and during 1893 about 40 per cent.

In our opinion as to the conditions necessary to be maintained in the United States to make it an exporting country of the same goods that we import, would state that the provisions in the present law are just, and we can not see how they can be improved upon.

Goods such as we import can positively not be raised in the United States.

There is a law on the island of Cuba prohibiting the importation of tobacco of any kind, and therefore Havana tobacco was never exported from this country to Cuba. There have been times when inferior grades of Sumatra, not suited for this market, were exported to Holland and



Germany, but the quantity is insignificant to the number of bales imported.

The cost of Havana fillers on the island of Cuba were from \$38 to \$65 per bale. The price of same goods in the United States, including duty, is from \$92.50 to \$132.50 per bale, and there has been very little change in prices of Havana fillers, either in the island of Cuba or here from 1884 up to the present date. Havana wrappers, in 1884, cost in Cuba about \$215 per bale, and sold in the United States for about \$290, including duty.

Since 1890 the cost of Havana wrappers in Cuba has been from \$260 to \$350 per bale, and they have sold in the United States from \$500 to \$700 per bale, including the duty of \$2 per pound.

Sumatra wrappers in 1884 cost in Amsterdam from \$150 to \$180 per bale and sold in the United States from \$220 to \$300 per bale, including duty.

In 1890 Sumatra wrappers cost in Amsterdam from \$160 to \$250 per bale and sold in the United States from \$250 to \$390 per bale, including the duty previous to the McKinley bill.

In 1892 Sumatra wrappers cost in Amsterdam from \$160 to \$275 per bale and sold in the United States from \$530 to \$630 per bale, including duty at \$2 per pound.

Goods handled at the present date cost in Amsterdam from \$150 to \$300 per bale and are being sold here at from \$569 to \$745 per bale, including the duty at \$2 per pound.

Our goods are usually sold on credit of four months.

We are purchasers.

There is no commission paid us for handling our goods.

The average rate of interest in Holland is 5 per cent and in Cuba it varies from 7 to 10 per cent per annum.

We by all means desire a specific rate of duty. Our reasons therefor are to prevent frauds on the customs authorities, such as were very recently perpetrated at the ports of San Francisco, Philadelphia, St. Albans, and other ports by dishonest importers.

A specific duty would place the honest importer in a position to compete with those disposed to be dishonest.

Duties are most likely to be evaded under an ad valorem duty.

In both Holland and Cuba protection exists.

The value of our imports for the past four years are as follows: 1890, \$58,700; 1891, \$27,200; 1892, \$47,200; 1893, \$49,100.

There is no tobacco raised in the United States that either Sumatra or Havana tobacco comes in competition with.

The cost of transportation from Cuba to Baltimore for the last ten years has been about \$1 per bale and from Amsterdam to Baltimore about \$1.50 per bale, via steamships from both ports.

Would most respectfully suggest, for the good of the tobacco trade and manufacturers of cigars, and also as a question of revenue, that the duty on all imported leaf tobacco used for cigar purposes be placed at a specific rate of 35 cents per pound, unstemmed, and 75 cents per pound, stemmed.



No. 4354.

*Reply of E. Hecht & Co., of Chicago, Ill., importers of tobacco.*

We represent no foreign house.

We are dealers, packers, and importers of leaf tobacco.

We import Sumatra and Havana tobacco, the cost of which varies according to quality, yield, and color, the supply and demand regulating price to a large extent.

The present duty on all tobacco, commercially known as wrappers, is \$2 per pound; on fillers, 35 cents per pound; both unstemmed.

There is no domestic tobacco to correspond with Sumatra and Havana tobacco.

Price of Sumatra about from 25 cents to \$1.50 (averaging about \$1.15 per pound) in bond, according to quality, yield, and color. Price of Havana fillers from 25 to 70 cents in bond, according to size and grade.

The tariff act of 1890 increased the duty on all tobacco commercially known as wrappers from 35 cents to \$2 per pound.

The cost of Havana tobacco is about the same as in 1890. The cost of Sumatra has increased 50 per cent, the amount raised having decreased 40 per cent last year.

The United States are heavy exporters. What tobacco they import can not be grown here.

Tobacco equal to Sumatra or Havana can not be raised in the United States; therefore wages for raising domestic tobacco remain the same.

Prices are regulated by quality and quantity of the crop.

Terms on all goods bought in Holland and Cuba are net cash.

We are packers of domestic tobaccos and importers of Havana and Sumatra tobacco.

Rate of interest in Holland, 5 to 6 per cent; in Havana, 6 to 8 per cent.

Cost of production in both Havana and Sumatra is higher than here on an average.

A specific rate of duty is the most desirable.

Duties will surely be evaded by unscrupulous importers under an ad valorem duty.

Holland is very moderately protected; Cuba a somewhat more protected country.

Our imports in last four years were about \$600,000.

There is no possibility of raising a domestic tobacco to supplant Havana and Sumatra.

Rates of transportation from Cuba and Holland have been about the same for the last ten years, being about 3 cents per pound on Sumatra and 2 cents on Havana tobacco.

We consider Holland the most prosperous country with a moderate tariff.

We consider the administrative features of the custom laws decidedly wrong. The tariff act of 1890 raising the duty on wrapper goods from 35 cents to \$2 per pound has been carried out only on Sumatra tobacco, which is the only tobacco known commercially by everybody as wrappers. The fact that only a small fraction of the Havana tobacco imported paid \$2 duty shows gross negligence or discrimination. The result has been that some unscrupulous importers and manufacturers of cigars imported and still import Havana tobaccos containing enough wrappers to work up the filler portion, and it is a well-known fact to

everybody in the trade that a clear Havana cigar can be manufactured for less money than a cigar wrapped with a Sumatra or even a fine Connecticut wrapper, the filler being Havana at a duty of 35 cents per pound.

The \$2 duty on Sumatra has proven disastrous to all manufacturers of cigars who found out that the finest domestic wrapper was only a poor substitute. The small cigar manufacturer has suffered considerably, having been unable to compete with the larger factories, who in most instances import their own goods at a great saving of cost, and are able to get cheaper labor and use labor-saving machinery.

On the other hand, Havana tobacco imported at 35 cents duty, containing wrappers, has brought in the market cheap clear Havana cigars, and as the small manufacturer can not buy such tobaccos, fearing detection, which larger manufacturers seem not to fear, he is handicapped in this like in all instances.

We beg to call your attention also to the rebate paid lately on Sumatra imported previous to the passage of the tariff act of 1890, which shows that the only plausible and just tariff on tobacco is a uniform duty.

We are in favor of a uniform duty on all foreign tobacco, no matter if wrapper or filler, and consider that a duty of 50 cents on all unstemmed tobacco and 75 cents on all stemmed tobacco would prove a great benefit to all manufacturers of cigars, and would forever put an end to fraud, besides increase considerably the United States revenue.

We also beg to say that we are against the reduction on imported cigars. We consider this reduction unjust, as it is a reduction of \$22 per thousand cigars, whereas the proposed reduction of the Wilson tariff bill on Sumatra tobacco is only \$1 per pound, or, taking  $2\frac{1}{2}$  pounds average to wrap 1,000 cigars, only \$2.50 per 1,000. In other words, the reduction proposed on imported cigars is nine and one-half times greater than the reduction proposed on the article manufactured at home.

We will say, in conclusion, that the tobacco industries in this country would prosper most under a duty as follows: 50 cents per pound on all foreign leaf tobacco, if unstemmed; 75 cents on all foreign leaf tobacco, if stemmed. On all imported cigars, \$4.50 per pound, and 25 per cent ad valorem.

---

No. 4355.

*Reply of F. Waugh, of St. Louis, Mo., importer of cigars.*

Rates of duty, \$4.50 per pound and 25 per cent ad valorem.

Character of goods: Imports correspond to clear Havana cigars.

What changes were made in tariff of 1890? Two dollars per pound additional duty, or 80 or 90 per cent additional.

What changes are necessary to make us an exporting country? Free raw material and a duty of 40 or 50 per cent ad valorem on manufactures should be ample protection.

The goods I import can be manufactured in the United States without a reduction of wages with raw material.

None of the articles I import have ever been exported to the countries from which I import them.

The prices of goods I import are from 100 to 300 per cent higher.

Goods are generally sold for cash.

I am a purchaser.

I desire an ad valorem duty. Specific duty advances cost of low-priced goods 200 to 300 per cent, whereas high-priced goods are advanced from 75 to 100 per cent.

With cigars there is no possible chance to evade duty if the appraisers are honest, and if dishonest they will be detected.

Imports have fallen off 80 per cent since 1890.

There is no competition; the duty is prohibitive.

There has been a gradual decline of imports since the tariff of 1890, with indications of an actual stopping of all imports in Havana cigars.

Previous to 1890 the tariff was \$2.50 per pound and 25 per cent ad valorem and \$3 per 1,000, internal revenue. The result has been the manufacturers have reduced the weight of cigars from 1 to 2 pounds per 1,000, cheapening the goods almost beyond recognition, which has helped to destroy the demand for all goods from Havana.

We are perfectly satisfied with raw material free and an ad valorem duty of 50 per cent on manufactured goods. We would at once export goods to all parts of the world, and our imports would increase the Government's revenue 400 per cent within three years.

---

No. 4356.

*Reply of ———, of ———, importers of leaf tobacco.*

[Name and location withheld by request.]

Rumors have been current here of the intention of your committee to report an ad valorem duty on leaf tobacco of 75 per cent. We take the liberty of stating certain facts which show that such action would be of great detriment to the Government and the native importer, and redound solely to the benefit of the foreign exporter. Sumatra tobacco is sold in the European markets in lots consisting of a number of various grades at an average price for the lot, and nothing can prevent the foreign exporter from consigning the finest of those grades to an agent in the United States, invoicing it at the average price of the lot, whereas the native importer, buying only the finer grades at much higher prices than the average lot price, would of necessity be compelled to pay a higher rate of duty. This would result in a serious loss of revenue to the Government and the annihilation of the importation trade. It would offer ample opportunities for successful attempts of fraud, as Sumatra tobacco is very difficult to appraise, even by the best experts. We respectfully submit the foregoing in the interests of the Government, the tobacco-growers, and the tobacco-dealers.

---

No. 4357.

*Reply of Fred Schulz, of New York City, importer of tobacco.*

The reading of the proposed revision of the tariff laws, as promulgated by the Ways and Means Committee of Congress, has placed manufacturers and dealers in a thoughtful mood as to the probability of its workings, for there are two specific effected ends to the contemplated

act. One is to reduce the duty on Sumatra leaf to \$1 or \$1.25 per pound, while at the same time aid is given to Havana cigar manufacturers in the shape of a reduction of duty of  $33\frac{1}{3}$  per cent, which can not fail to work great injury to the American manufacturer of fine cigars. Therefore, as the bill is now reported, it is difficult to understand how it can be possible that the advantageous feature of a tariff bill can be legislated in favor of foreign trade and yet expect the home manufacturer to survive. American lawmakers should legislate for America and in the interest of the many. I think a protective duty as it now stands is or will fill the requirements.

---

No. 4358.

*Reply of L. Schmid & Co., of New York City, importers of leaf tobacco.*

Owing to the peculiar character of the article our firm imports, which makes a comprehensive and concise reply to the questions contained in your circular letter very difficult, we prefer to state our views on the point at issue in the shape of a report.

We are importers of Sumatra wrapper-leaf tobacco, which has proven itself indispensable to every well-developed cigar manufactory the world over for the reason that no country can produce anything to equal it.

The tariff bill of July 1, 1883, fixed the duty on this tobacco at 35 and 75 cents a pound specific, netting to the Government an average of 52 cents a pound at the relative proportions of importations. The tariff of 1890 increased the duty to \$2 per pound specific. The effect of this advance has been most injurious to the industry at large, and to the people employed therein.

First, by crushing a large and industrious class of smaller manufacturers, who, by sheer inability to raise the requisite cash to pay the enormous duties—the proportion of the duties to the cost of the goods is about two to one—were compelled to use an inferior substitute, with the result that the large manufacturers, with ample and unlimited means, increased their output heavily at their expense.

Secondly, by causing a cut in the wages of cigar laborers to make up for the increased cost of the cigars, for which the manufacturer could not realize a higher price.

In support of these statements we beg to refer to the numerous petitions, forwarded to the Ways and Means Committee, signed by nearly all the cigar-makers of the United States, as well as the cigar-makers' trades unions, all unanimously in favor of a lower duty.

While the Wilson bill proposes a reduction of the duty from \$2 per pound to \$1, our contention is that a reduction to 50 cents a pound, comprising all foreign tobacco, wrappers or fillers, would not only secure to the Government a handsome revenue, but would give our domestic growers of tobacco a more effective protection than on the wrappers alone.

We decidedly favor a specific duty as the best protection against undervaluations, both for the Government and for the conscientious importer.

No. 4359.

*Reply of Cohn & Leopold, of New York City, importers of leaf tobacco.*

Sumatra tobacco for wrapper purposes comes from Holland; the market for Havana wrappers as well as for Havana fillers is the island of Cuba.

The duty on wrappers imported from both countries is \$2 per pound; the duty on fillers, which are imported from the island of Cuba only, is 35 cents per pound.

There is no tobacco raised in the United States which corresponds with the foreign product.

The rate of duty was changed by the tariff act of 1890, from 75 and 35 cents per pound on tobacco suitable for wrappers, to \$2 per pound.

The cost of tobacco, especially of that imported from Holland, increased from 35 to 40 per cent since the tariff act of 1890 took effect.

The goods which we import from those countries can not be produced in the United States; therefore it is our desire to have a specific duty of 40 cents per pound on all imported tobaccos.

Quantities of Sumatra tobacco which have been imported have to be frequently exported again on account of the too excessive duties.

A specific rate of duty is desired, because it is the most equitable manner of collecting duties on tobacco and because an ad valorem duty can easily be evaded by irresponsible parties.

Duties are most likely to be evaded under an ad valorem duty.

Leaf tobacco produced in this country is of inferior quality, so that it is no competition to the tobaccos which we import.

In conclusion we beg to present to you our own views. We are aware that the Government needs revenue, and since it is the desire to protect the domestic product, a uniform rate of duty of 40 cents per pound on wrappers as well as on fillers would largely increase the revenue for the Government and at the same time more effectively protect the domestic product. A high protective tariff of \$1 per pound on the indispensable wrapper tobacco will concentrate the large cigar industry in the hands of a few large manufacturers, impoverish the multitude of men of small means, and tend to decrease the compensation of the laborer.

---

No. 4360.

*Reply of John B. Creagh & Co., of Philadelphia, importers of leaf tobacco.*

We only import Havana leaf tobacco, and we suggest an uniform duty of 35 cents per pound on all imported leaf tobacco, because it will be better for the Government, manufacturers, and consumers. We have no doubt that only uniform specific duty is the only proper and just tariff for leaf tobaccos.

Bull. 34—6



No. 4361.

*Reply of Lichtenstein Bros., of New York City, importers of tobacco.*

The market for Sumatra tobacco is Holland; the market for Havana wrapper and filler is Havana, Cuba. All of these tobaccos are raw material.

The duty on Sumatra wrapper tobacco and Havana wrapper tobacco is \$2 per pound; duty on Havana filler tobacco is 35 cents per pound. Our imports do not correspond with any domestic goods.

The rate of duty was changed by the tariff act of 1890 from 75 cents and 35 cents per pound on tobacco suitable for wrapper to \$2 per pound.

Cost of Sumatra tobacco has increased 33 per cent in Holland since the tariff act of 1890.

The goods which we import can not be produced in this country.

Quantities of Sumatra tobacco have been exported from this country because the rate of duty was too excessive.

A specific duty is desired because it is the most equitable manner of collecting duty on leaf tobacco and because an ad valorem duty can easily be evaded by irresponsible parties.

Duties are most likely to be evaded under an ad valorem rate.

Leaf tobaccos produced in this country are of an inferior quality so that they are no competition to the tobaccos which we import.

Our views are that since the Government needs a revenue, and since, if it is desired to protect the domestic product of leaf tobacco, a uniform rate of duty of 50 cents per pound on wrapper and filler tobacco would largely increase the revenues for the Government and at the same time more effectively protect the domestic product, a high protective tariff of \$1 per pound on the indispensable wrapper tobacco will concentrate the large cigar industry in the hands of a few large manufacturers, impoverish the multitude of men of small means, and tend to decrease the compensation of the laborer.

---

No. 4362.

*Reply of Joseph Mayer's Sons, of New York City, importers of tobacco.*

We are importers of foreign raw leaf tobacco and dealers in the same and domestic raw leaf tobacco.

We import raw (unmanufactured) leaf tobacco entering into the manufacture of cigars.

If unstemmed and suitable for wrappers on cigars, the duty is \$2; if stemmed, \$2.75. All others, 35 cents if unstemmed; 50 cents if stemmed.

Wrappers correspond in a measure with the best part of the best product of a few States, notably that of Connecticut and Massachusetts. As for fillers, there is nothing raised in this country that can be compared with those grown in Cuba.

The price in bond of wrappers varies from about 11 cents to \$2.50 per pound; that of fillers in bond 25 cents to 85 cents.

The law of 1890 made no change in the duty on fillers. Under that law the duty on wrappers was made uniform at \$2. Previously it had been 35 cents or 75 cents, the rate varying with the number of leaves to the pound suitable for wrappers.



The cost of fine wrappers has increased in some cases 100 per cent; in others to a smaller extent, though still considerably. The lowest grades of wrappers has not grown dearer, partly because the quantity on hand is almost inconsumably large, but chiefly because they are only sparingly used in this country. When tobacco of this description is brought here it ordinarily remains in bond until exported to Canada or some other foreign country. But the aggregate consumption is small.

As the production of fine tobacco depends almost entirely upon climatic and geographic conditions, we can not hope to produce in this country fillers equal to those raised in Cuba, nor wrappers that in texture, etc., will be the equal from those coming from Sumatra.

Goods are sold on four months time or longer.

We are purchasers.

A specific duty is by far the more desirable. It is more advantageous to the Government as well as to the honest importer. To illustrate: This country has for a number of years taken the finer grades of Sumatra tobacco for wrappers. This tobacco goes chiefly through Amsterdam. This Government has been collecting \$2 per pound since 1890. Under an ad valorem duty the importer would be tempted to buy fine and ordinary tobacco together and thus materially reduce the price of the better part. This is the part he would sell here, holding the remainder to be reexported, perhaps, to port of export. It is plain that by such a procedure the better grade of wrappers would pay far less revenue than at present. There is besides so much of unfair dealing involved that the establishment of a system permitting it is to be reprehended. But that practices of this or a similar nature are likely to be resorted to under an ad valorem tariff, which is not absolutely prohibitory scarcely admits of doubt.

There is such a wide difference even in such tobacco as we call fine that not even an expert can be sure what any given wrapper is worth at the port of export. The imposition of an ad valorem duty would thus open the door for another kind of fraud for the unscrupulous, while the honest importer would, as compared with the former, be at a serious disadvantage.

It must be apparent that, from the very nature of the article, fraud can and will prevail under an ad valorem duty. Under a specific duty fraud scarcely has a chance.

We are importers of leaf tobacco; 1890, 28,720,674 pounds; value, \$17,605,192; 1891, wrapper leaf, 32,277 pounds; value, \$30,336; other tobacco, 23,028,731 pounds; value, \$13,253,826; 1892, wrapper leaf, 3,073,175 pounds; value, \$2,196,394; other tobacco, 18,915,360 pounds; value, \$8,136,027.

There is no competition between domestic and foreign tobacco, and can not be any. Sumatra wrappers have taken the place once occupied by the choicest product of Connecticut, and it does not seem likely that it will be dislodged for many years to come, if at all.

Freights, especially on tobacco from Cuba, have varied from 3½ to 75 cents per bale of 100 pounds or over. At present the rate from Havana is 60 cents, and it is practically the same from Europe. In either case the rate, as compared with the value of the merchandise, is almost infinitesimally low.

Tobacco, put up and imported ostensibly for fillers, should pay duty as fillers, regardless of the admixture of a small part of wrappers which, in the nature of things, is unavoidable.

The law with respect to the remission of duties in cases where tobacco in bond is damaged by fire, water, or smoke, resulting from a fire, should be more explicit than at present. Experience has proved that an apparently slight damage seriously impairs values. A liberal abatement, if not an entire remission of duties, ought to be provided for for such contingencies. This is the more important in view of the difficulty of obtaining sufficient insurance in places (New York for instance) where there is an accumulation of merchandise in bond. A comparatively small fire in any of the large bonded warehouses to-day might prove disastrous to many importers—far more so than the total destruction of the property, because in the latter case a total remission of duty would have to be made.

---

No. 4363.

*Reply of J. W. Anderson Cigar Company, of Rockland, Me., manufacturers of cigars.*

We import Havana and Sumatra tobacco.

The wholesale price of our goods is from \$28 to \$52 per 1,000.

Duties advanced from 75 cents to \$2 per pound.

Sumatra tobacco increased about 40 per cent since 1892.

We only import raw material.

Goods are sold on two and four months.

We are purchasers.

We pay skilled labor \$17 per week.

A specific duty is a more just valuation on goods and there is less chance for fraud.

Duties are most likely to be evaded under ad valorem duty.

Two families living in Rockland, Me., one consisting of 8 persons, one of 3, live in houses by themselves, with all conveniences, children have good school privileges, and are able to have all the necessities of life and a great many luxuries.

Our business pays about \$4,000 per year duties on raw material.

We manage to compete with domestic productions.

We have no suggestions to make concerning the administrative features of the customs laws. It will be of great benefit to manufacturers of cigars in this country to have the duties reduced on Sumatra tobacco, as the domestic wrappers won't take its place. This is as near as our limited means will allow us to answer the question requested.

---

No. 4364.

*Reply of Lewis Sylvester & Son, of New York City, importers of leaf tobacco.*

We are importers and dealers in foreign and domestic leaf tobacco.

We favor a specific duty on tobacco, and why? It being difficult even to the most experienced men engaged in this line of business to distinguish lower grades of what is known as wrappers from the higher grades of fillers, as large portions of the latter can and are being used

as wrappers while much of the former grade which has the appearance of wrappers will not serve the purpose.

A conscientious importer being thus unable, in justice to himself and to that of the Government, to make and verify correct and true entries.

In support of our conclusion:

A specific duty of 50 cents per pound on all leaf tobacco will obviate the difficulties stated.

About 5 pounds of fillers to 1 of wrappers is used in the manufacture of cigars, consequently approximated difference between the tariff proposed in the new bill and such specific duty of 50 cents would about equalize.

The fact is conceded that the quality of the wrapper tobacco in this country, excepting that which is raised in the State of Connecticut, has of late years materially deteriorated, while the demand is for the superior quality grown in foreign countries only.

At the same time such tobaccos as are used for fillers, through the combination of various seeds, fertilizers, and improvements in the general cultivation, the character and the quality of that grade of tobacco has been greatly advanced, and, therefore, the value thereof materially increased.

Reasoning from this statement of facts we draw the logical conclusion that with the specific duty of 50 cents per pound on all leaf tobacco, while the domestic wrapper may become still less desirable, the growers of tobacco will be amply compensated by the consequent advanced prices realized by the fillers, while it would do away with the many complications and vexatious questions arising through difficult and wrongful classification alike injurious to the Government and to such of the importers who do not want to practice deceptions and misrepresentations.

---

No. 4365.

*Reply of Maurice Somborn, of New York City, manufacturer of cigars.*

I am decidedly in favor of retaining the present duty on tobacco wrappers; (\$2 per pound,) and also on imported cigars (\$4.50 per pound and 25 per cent ad valorem.)

Duties ought to be lowered on the necessities of life, but not on luxuries, and if tobacco wrappers and imported cigars are not classed by you as luxuries, then I must admit my ignorance of the meaning of the term luxury.

I hope the present duties will be retained on all articles of luxury, including the two mentioned by me in first part of letter.

## No. 4366.

*Reply of E. & G. Friend & Co., of New York City, importers of tobacco.*

We import Sumatra wrapper tobacco, Havana wrapper and filler tobacco. Market for the Sumatra wrapper tobacco is Holland; market for the Havana wrapper and filler tobacco is Havana. All of these tobaccos are raw material.

Duty on Sumatra wrapper tobacco and Havana wrapper tobacco is \$2 per pound. Duty on Havana filler tobacco is 35 cents per pound.

The rate of duty was changed by the tariff act of 1890 from 75 cents and 35 cents per pound on tobacco suitable for wrappers to \$2 per pound. Rates of duty are specific.

The cost of Sumatra tobacco has increased 33 per cent in Holland since the tariff act of 1890.

The goods which we import can not be produced in this country.

Quantities of Sumatra tobacco have been exported from this country because the rate of duty was too excessive.

A specific rate of duty is desired because it is the most equitable manner of collecting duty on leaf tobacco, and because an ad valorem duty can easily be evaded by irresponsible parties.

Duties are most likely to be evaded under an ad valorem rate.

Leaf tobaccos produced in this country are of an inferior quality, so that they are no competition to the tobaccos which we import.

If the Government needs a revenue, and if it is desired to protect the domestic product of leaf tobacco, a uniform rate of duty of 50 cents per pound on wrapper and filler tobacco would largely increase the revenues for the Government and at the same time more effectually protect the domestic product. A high protective tariff (\$1 per pound) on the indispensable wrapper tobacco will concentrate the large cigar industry in the hands of a few large manufacturers, impoverish the multitude of men of small means, and tend to decrease the compensation of the laborer.

## No. 4367.

*Reply of Park & Tilford, Acker Merrall & Condit, W. H. Thomas & Bro., G. S. Nicholas, and G. W. Taber and Blackwell Durham Tobacco Company, of New York City, and S. S. Pierce & Co., of Boston, Mass., all importers of cigars.*

We import cigars.

Cost of production in Havana is from \$16 to \$200 per 1,000, the average cost of cigars exported to the United States being \$58 to \$60 per 1,000.

Present duty, \$4.50 per pound and 25 per cent ad valorem. This on various grades of cigars is as follows: Low-priced, costing \$24, weight 10 pounds, duty \$51.20 per mil., 212½ per cent; medium, costing \$50, weight 12 pounds, duty \$66.50, 133 per cent; fine, costing \$100, weight 15 pounds, duty \$92.50, 92½ per cent.

Imported cigars correspond with domestic cigars of same shape and size.

Wholesale price of imported cigars in domestic markets are from \$64 to \$346 per 1,000.

We append a comparison between the foreign price and wholesale

price here, showing that the latter ranges from 400 per cent on low-priced goods to 173 on medium and fine goods.

Foreign price.	Wholesale price in the United States.	Percentage of wholesale price on foreign price.
\$16	\$64	400
17	68	400
34	93	273
52	124	238
75	157	209
105	190	180
110	220	200
165	286	173
200	346	173

Under the tariff act of 1890 the ad valorem duty remained the same as before, 25 per cent; specific duty advanced from \$2.50 to \$4.50 per pound, making an increase of \$2 per pound on an average weight of 10½ pounds per 1,000, being \$21.25 per 1,000.

Practically there has been no change in cost.

Cigars are manufactured even to such an extent that, prior to 1890, 97 per cent of cigars consumed in the United States were manufactured here, and since that date and up to the present time the domestic manufactures amount to 98½ per cent of the quantity consumed.

Cigars have not been exported from the United States to countries from which they are now imported.

There is no difference between foreign export and local prices.

Goods are sold for cash in foreign market; cash or short time in the United States.

We are purchasers.

We sell only for our own account, generally at an advance of 5 per cent.

A combined duty is desired, owing to the great difference in value of cigars of the same weight. This ranges from \$2 to \$15 per pound.

Duties are most liable to be evaded under a high ad valorem duty.

Protection exists in the foreign country.

Amount of imports for past four years: 1890 (under two tariffs), 100,017,000; 1891, 70,811,000; 1892, 54,847,000; 1893 (December, 1893, estimated), 45,911,000.

We do not manage to compete with domestic productions. As before stated, imports of cigars are now about 1½ per cent of the quantity consumed.

---

No. 4368.

*Reply of Hiller & Kollenburg, of Chicago, Ill., importer of leaf tobacco.*

An ad valorem duty on leaf tobacco would enable unscrupulous importers to defraud our Government, as the following illustration shows.

All importations of leaf tobacco for cigar purposes consist of Sumatra wrappers, Havana wrappers, and Havana fillers; tobacco which the United States can not produce. Wrappers represent the costliest portion of a tobacco farm product, which latter consists of wrappers, binders, and fillers, and is sold at an average price.

Under an ad valorem duty the unscrupulous merchant would import a mixed lot of wrappers, binders, and fillers, being invoiced at an average price, according to which the entire lot would be appraised; then withdraw the wrapper pad and export the remaining binders and fillers.

We are heartily in favor of a specific duty of 50 cents per pound on all unstemmed imported leaf tobacco and 65 cents per pound on all imported leaf tobacco, stemmed, for these reasons: First, it insures the largest possible income to our Government; second, it protects our tobacco-raising farmers 100 per cent. The wrapper portion of their crops never realizes more than 50 cents per pound; third, it avoids all and every possibility to defraud our Government.

Lastly, we pray your honorable committee to establish a uniform specific duty on all leaf tobaccos, wrappers, and fillers, in order to put a stop to the tremendous defraudations which are now practiced by having Havana wrappers appraised at the filler rate of duty.

---

No. 4369.

*Reply of Rosenberg & Paraski, of Chicago, Ill., importers of leaf tobacco.*

We are not importers, but we purchase considerable Sumatra leaf tobacco in bond, which we use in manufacturing cigars (for wrappers). The present duty of \$2 on Sumatra is a great burden for us, as it is for every cigar manufacturer, and we believe that it will ultimately break up all small and middle-class cigar manufacturers. We believe that the duty on tobacco should be reduced to 35 cents. We also believe the duty on Havana cigars should remain as it is, or, at least, almost as high. As far as cheap cigars are concerned, we think this country can compete with almost any foreign country, but in order to make good cigars we must have Havana and Sumatra tobacco, but at the present rate of duty it is almost impossible to get along.

---

No. 4370.

*Reply of I. Hamburger & Co., of New York, importers of leaf tobacco.*

We are importers of Sumatra wrapper tobacco and Havana wrapper and filler tobacco. None of these articles can be produced in the United States, owing to the difference in soil and climate. The present duty on wrapper tobacco is \$2 per pound, and on filler tobacco 35 cents per pound, both specific. The duty on wrapper tobacco prior to the enactment of the tariff bill of 1890 ranged between 35 and 75 cents per pound, the average being about 50 cents per pound. The enormous increase of the duty in 1890 has proved a serious detriment to the cigar manufacturing interests, because it prevented the smaller manufacturer from competing successfully with the larger, owing to the increased capital required.

Each bale of Sumatra wrappers, which are essential to the production of the bulk of the cigars manufactured in the United States, requires the outlay of about \$350 for duty, besides the cost of the



tobacco itself. One of the first effects of that increase was the forcing out of business of smaller manufacturers and the concentration of the business among the few large ones and the reduction of the wages of the laborer. While importations were not much affected during the last three years, the prevailing high duty has caused the exportation of large quantities of imported wrapper tobacco, thereby greatly diminishing the revenues of the Government. The two great objects to be attained are the procuring of the greatest possible revenue for the Government and the maintenance and increase of our manufacturing industry. The Wilson tariff bill, now under discussion, purposes the reduction of the duty on wrapper tobacco to \$1 per pound. We believe this reduction to be inadequate to accomplish the aforementioned objects, besides retaining the undesirable feature of differential rates, a temptation to the unscrupulous to evade the payment of the higher rates of duty and defraud the Government. In our opinion, a uniform specific rate of duty of 50 cents per pound will furnish the largest revenue to the Government, will stimulate our manufacturing interests, increase the compensation of the wage earner, and eliminate all possibility of fraud.

---

No. 4371.

*Reply of Max Marx & Co., of New York, importers of cigars.*

Cigars we import cost \$20 to \$150 per 1,000.

We pay a duty of \$4.50 per 1,000 and 25 per cent ad valorem.

The goods we import correspond with goods manufactured here, at Florida and at some few inland cities.

Wholesale price of our goods are from \$90 to \$300 per 1,000.

Ad valorem duty was raised \$2 per 1,000 by tariff act of 1890.

Cost of goods was increased since 1890 about 20 per cent.

Allow Havana, Mexican, and South American tobaccos to come in free of duty and we will export yearly cigars to the value of \$25,000,000 to \$50,000,000. Wages could then be easily maintained and fully 25,000 more workmen would find employment at highest wages ever paid.

Articles which we import have never been exported to the countries from which we import—being prohibited there.

At the place of production there is no difference in price as regards where goods are to be shipped.

Retail and wholesale prices at place of production are hardly changed since 1884 and retail prices there are only 10 to 20 per cent above wholesale. Here wholesale and retail prices were fully 20 per cent lower up to 1890.

At place of production goods are sold for cash only; here on ten or thirty days credit.

We are purchasers.

Rate of interest varies greatly in the country where our goods are produced; average is same as here.

On our product wages paid for skilled labor are \$12 to \$25 per week; for unskilled labor, \$5 to \$10.

An ad valorem duty only might answer as regards cigars. The specific duty levied on the weight of them now is the cause of great loss to importers. Goods are delayed from five to fourteen days to be

weighed and thousands of dollars' worth are spoiled and made unsaleable annually through the mode of weighing.

In cigars hardly any evasion of duty is possible, because all foreign manufacturers are selling their cigars at established prices and according to price lists, which are obtainable by customs appraisers. Evasion may occur where appraiser connives with importer only.

Actual living expenses are very low there, probably less than half against the United States, but the workmen there all gamble in lotteries and otherwise.

Fulllest protection imaginable in the country where our goods are manufactured.

We imported, up to 1890, say \$100,000 to \$150,000 annually; since then our imports have been steadily decreasing.

Domestic-made goods of same grade are continually gaining ground. They are fully equal to the imported article and are sold about 50 per cent lower.

Cost of transportation has not varied much in ten years and is about 1 cent per 1,000.

For appraisers in cigars, officers should be employed having practical knowledge of the business.

---

No. 4372.

*Reply of J. Friedman & Co., of Chicago, Ill., importers of leaf tobacco.*

We import Havana and Sumatra tobacco, which are the principal and almost the only tobaccos imported to our country for cigar purposes.

We import tobacco only in a raw state, unmanufactured, the cost of production varying according to the quantity produced on each acre, the seed used, and would also be largely dependent on the weather, the soil, and the experience of the planter.

The present rate of duty on goods which we import is 35 cents per pound on filler tobacco if unstemmed; if stemmed, 50 cents per pound; and \$2 per pound on tobacco commercially known as wrappers, if unstemmed; if stemmed, \$2.75 per pound.

It is impossible to produce a tobacco in America which will take the place of Havana tobacco in quality, flavor, and taste, or tobacco which will take the place of Sumatra tobacco in appearance.

The price of Havana tobacco is from 25 to 70 cents per pound and Sumatra from 25 cents to \$1.50, both in bond, less 2 per cent discount. The average for Sumatra would be about \$1.10 and for Havana about 55 cents.

Prior to 1890 the duties were as follows: Tobacco, if unstemmed, less than 100 leaves to the pound, 35 cents per pound; if unstemmed, more than 100 leaves the pound, \$1 per pound; if stemmed, less than 100 leaves to the pound, \$1 per pound; all other unmanufactured tobacco, 34 cents per pound. (Said law worked very unsatisfactorily.)

The cost of Havana tobacco remains practically the same as in 1890. Sumatra tobacco has increased owing to the decreased quantity planted and to the large demand for light-colored tobacco, which demand does not merely exist in this country, but in Austria and Germany, which are large buyers of Sumatra tobacco; dark and medium colored Sumatras have not increased.

It would be an impossibility to make the United States an exporting country of a tobacco equal in appearance to Sumatra or Havana in quality, as such tobacco can not be raised in this country owing to the climatic conditions of the United States. Large quantities of tobaccos grown in our country are exported.

The Spanish Government forbids tobacco once exported to be reimported. The quantity of Sumatra which would be reexported is inconsequential, as it probably would only be done in instances where the tobacco was very inferior, and is probably less than one half of 1 per cent of the entire tobacco imported.

Export duty on Havana tobacco is 5 cents per pound and  $2\frac{1}{2}$  cents commission. There is no export duty on Sumatra tobacco.

There is hardly any tobacco sold in a small or jobbing way in Havana, as it is mostly sold in large lots. It is impossible for us to state what prices the Amsterdam and Rotterdam houses obtain for their tobacco in selling in single bales. The wholesale price for such goods, that is to say, the price for Vega or crop of Havana tobacco, or the price obtained for a lot of tobacco at the inscription or auction sales held in Amsterdam and Rotterdam, is dependent upon the quality and quantity of the same and the prospects of the succeeding crop.

Goods are sold generally for cash.

We are purchasers.

Do not sell goods on commission.

Average rate of interest in Cuba is 8 per cent, in Holland 3 to 6 per cent.

Specific duty is desired because an ad valorem duty is more likely to be evaded.

An ad valorem duty is more likely to be evaded than a specific as it is impossible to accurately and positively determine what tobacco commercially known as a wrapper is. Some tobacco that could be used for wrapper purposes is positively used for fillers; while some manufacturers use a large quantity of wrappers that other manufacturers would positively pronounce fillers, and could not utilize for wrapper purposes.

Cuba is a protected country, Holland is moderately protected.

About \$250,000 annually is the amount of our imports.

Tobacco raised in this country does not nor never has competed with Havana or Sumatra tobacco.

Cost of transportation of tobacco from Havana is about  $1\frac{1}{2}$  cents per pound; from Sumatra,  $2\frac{1}{2}$  to  $3\frac{1}{2}$  cents.

France has been most prosperous in the past year, owing to its financial and revenue systems.

From careful study, close observation, and long experience, we believe that under all circumstances a specific rate of duty is the best for our Government to adopt; furthermore, no difference in that rate of duty should be made for wrappers or fillers, and the only distinction that should be made is in stemmed and unstemmed tobacco.

Under such a law it would not require the aid of an expert to determine what was stemmed or unstemmed tobacco, as every appraiser at a glance could determine this; the Government could not possibly be defrauded, the duties could not be evaded, each importer would be placed on a position of equality with every other, the work of the board of appraisers so far as leaf tobacco is concerned would be greatly diminished and probably entirely removed, and no questions would arise whereby this Government would be obliged to rebate duties, amounting to hundreds and thousands of dollars, which it is now considering or

about to do. Neither would one port of entry be more favored than another, as is now the case.

Inasmuch as the opinions of thoroughly experienced tobacco merchants vary as to what constitutes what is commercially known as a wrapper, how can it be possible for an appraiser who has never been in the tobacco business, never manufactured a cigar, never had the necessary experience, to determine what constitutes what is known commercially as a wrapper, and thereby properly and correctly adjudge duties?

Unless each and every appraiser who examines leaf tobacco at each and every port of entry does not know exactly, accurately, and positively what constitutes what is commercially known as wrappers, does it not follow that some of such appraisers will admit some tobacco at the lower rate of duty that should pay the higher? Or if he does not know, and wishes to execute the law in its fullest sense, and to the very letter of the law, will he not frequently levy the higher rate instead of the lower? Therefore, in the first case the importer would have the advantage over another importer; in the second instance, he would be placed to the trouble, expense, the loss of time and money in appearing before a board of appraisers with experts, to determine whether his tobacco had been properly appraised.

Inasmuch as the opinions of importers and manufacturers are at a variance as to what constitutes what is commercially known as a wrapper, inasmuch as it is impossible that all appraisers should be of an unanimous opinion as to what constitutes such a wrapper, and inasmuch as it is obligatory upon the Government to administer equal justice, and therefore essential that appraisers should hold the same opinions; while this is impossible, as a fixed standard does not and can not exist, varying always as the judgment or experience of the appraiser varies, does it not appear to your honorable body that a specific duty differentiating merely between stemmed or unstemmed wrappers, independent and exclusive of grade, cost, or quality, is the best for our Government to adopt; since under it such duties would be collected with less trouble, less expense, under or over valuation would no longer be possible, fraudulent methods on the part of the importer to obtain the filler rate on a wrapper importation equally impossible, favoritism or partiality would no longer be shown, and no manufacturer or no importer would have even the slightest advantage over another, no matter in how large or in how small quantities he purchased his goods.

We would respectfully call the attention of your honorable body to the difference of duties on cigars and tobacco as respectively affected by the Wilson bill. Wrapper tobacco that now pays a duty of \$2 per pound under the present law, will be reduced to \$1 per pound under the Wilson Bill. As it requires, on an average,  $2\frac{1}{2}$  pounds of Sumatra wrappers (Sumatra is the principal tobacco imported for wrapping cigars) to make 1,000 cigars, the cost of every 1,000 cigars will in consequence be reduced \$2.50 per 1,000. But on the other hand, cigars that now pay \$4.50 per pound and 25 per cent ad valorem under the Wilson bill will be reduced to \$3 per 1,000 and 25 per cent ad valorem. As the average weight of each 1,000 cigars imported is 14 pounds, their cost will be reduced \$21 per 1,000; while as we have demonstrated above, the cost of domestic cigars with a Sumatra wrapper will only be reduced \$2.50 per 1,000. In other words the cost of imported cigars will be reduced  $8\frac{1}{2}$  times as much as domestic cigars. Is it possible that the American manufacturer can compete with the foreign-made cigar with the duty reduced so largely in favor of the foreign article?

We believe that a duty of 35 cents per pound on all unstemmed tobac-

cos and 50 cents on all stemmed tobaccos, will afford the American purchaser sufficient protection, and will enable the manufacturer of cigars in this country to more successfully compete with the foreign-made cigars.

---

No. 4373.

*Reply of L. Newgass & Co., of New York, N. Y., importers of Sumatra tobacco.*

We pay a duty of \$2 per pound on our imports of Sumatra tobacco.

Our imports correspond with fine wrapper leaf raised in the States of Connecticut, Massachusetts, Pennsylvania, Wisconsin, and New York.

We have various wholesale prices, according to quality.

The change of duty in 1890 was from 50 cents per pound average to \$2 per pound. The ad valorem equivalent was about \$1.25 per pound.

The fine, light stock advanced from 40 cents to 1 per pound.

We can not raise such tobacco here, the climate and soil not being adapted to it; consequently, can not export.

Sumatra, within the last four years, has been worked principally on a fine grade of cigars, and cigar-makers are paid therefore better wages than on cigars made by them having domestic wrappers.

Never to our recollection have the articles we import been exported from this country.

Sumatra tobacco is sold on from four to six months.

We are purchasers.

Rate of interest averages from 3½ to 6 per cent in the country of production of our goods.

We desire a specific duty by all means; to prevent fraud in all directions.

Under an ad valorem duty duties are most apt to be evaded.

Value of our imports is from \$80,000 to \$150,000 per year.

There is no competition in fine tobaccos between Sumatra and domestic.

During past ten years cost of transportation has been 60 cents per 100 pounds.

Holland makes the most money out of the Sumatra production.

We advise you to make the duty \$1 per pound, and to go into force January 2, 1895, so as to give the thousands of tobacco-growing farmers a chance to dispose of their last year's crops now on hand at a fair price.

---

No. 4374.

*Reply of Antonio Gonzales & Co., of New York, importers of leaf tobacco.*

We pay a duty of 35 cents and \$2 per pound; 40 and 50 cents, stemmed, per pound. Since 1891 duty on wrapper tobacco has been from 35 cents to \$2 per pound, and on stemmed tobacco from 35 to 50 cents per pound.

Goods are sold on four to six months.

We are purchasers.

A specific uniform duty most desired in order to avoid irregularities.



Duties are most likely avoided under ad valorem duties.

Value of our goods has changed considerably on account of quality of crops.

---

No. 4375.

*Reply of William Brandt, of Chicago, Ill., importer of leaf tobacco.*

Havana costs \$1.25, Sumatra \$4.50 per pound.

My imports do not correspond with any domestic goods.

Different goods have different prices.

Cost of imports has increased \$1.65 a pound since 1890.

I think goods I import can be produced in the United States.

Goods I import are not exported from this country.

Goods are sold on three or four months.

I am a producer.

About 10 per cent is my commission.

I pay \$15 to \$18 per week for labor.

Under a specific duty, duties are most likely to be evaded.

Protection exists in the country of production.

I would like to see a high license so that small manufacturers would be protected. The way business is running now with the Sumatra \$4 a pound the business is going into the big manufacturers' hands and small manufacturers are not protected.

---

No. 4376.

*Reply of Sartorius & Co., of New York City, importers of leaf tobacco.*

Cost of production in Havana varies greatly, according to class of goods.

Rates of duty on our importations are 35 cents and \$2 per pound.

No domestic tobacco corresponds in any way with Havana tobacco.

Wholesale prices of goods in domestic market varies greatly: Cutters, 65 cents upwards to 75 cents; fillers, 80 cents to \$1.20; wrappers, \$4 to \$7.

Prior to 1890 all Havana leaf tobacco, whether filler or wrapper, paid 35 cents per pound. With the tariff act of 1890 the law was changed to 25 cents for fillers and \$2 per pound if any bale, package, etc., contains any tobacco suitable for wrappers. The phraseology is very ambiguous, and the Wilson bill has the same fault.

Cost of goods imported by us has increased since 1890, say 10 to 20 per cent.

As Havana tobacco, on account of soil, climate, etc., can not be grown in the United States, it can not of course be exported.

Goods are sold on average terms about six months.

We are purchasers.

Brokers get 1 per cent commission on sales.

Average rate of interest is 12 per cent per annum.

We desire a specific duty; a uniform rate on leaf tobacco irrespective of wrappers or fillers of 35 cents, or at the highest 50 cents, which will not only benefit the farmer but also the manufacturer and working-man. A rate of 50 cents will also produce the largest revenue.



Duties will undoubtedly be evaded unless the rate is specific and uniform.

Havana tobacco is absolutely needed to mix with domestic tobacco, and in this way improve the cigars made here.

Freight from Havana to New York has averaged about \$1 per bale. Cuba certainly is not prosperous; it is about bankrupt.

If a proper tariff law is framed as to leaf tobacco, this will regulate itself, as there is certainly no necessity to send 25 per cent of the importation to public store, as at present.

---

No. 4377.

*Reply of John Rennert, of Philadelphia, Pa., manufacturer of cigars.*

I beg to call your attention to paragraph 188, which imposes a duty of \$3 per pound and 25 per cent ad valorem on cigars, and to paragraph 184, which lowers the duty on imported wrapper tobacco from \$2 per pound to \$1 per pound. Ordinary size cigars weigh about 14 pounds per 1,000—of which about 3 to 4 pounds is wrapper—pay a duty at present of \$4.50 per pound and 25 per cent ad valorem; in other words, the reduction of the duty on imported cigars would amount to \$21 per 1,000, and this in favor of foreign countries (Cuba). The reduction of the duty on wrapper tobacco from \$2 to \$1 per pound reduces the cost of manufacture per 1,000, from \$2 to \$3 for us; there is a discrimination, therefore, of \$18 per 1,000 in favor of the foreign manufacturer; even supposing wages were reduced 50 per cent we would still be unable to compete with Cuban manufacturers. That is to say: Such a tariff law, if passed by the U. S. Senate, would effectually destroy the greater part of the cigar manufacturing industry in this country.

I therefore would respectfully ask you to use your influence to prevent such disastrous legislation, and to leave the duty on imported cigars and wrapper tobacco as it is at present.

---

No. 4378.

*Reply of Davidson Bros., of New York City, importers of leaf tobacco.*

We import Sumatra wrapper tobacco, Havana wrapper and filler. Market for Sumatra is Holland; market for Havana tobacco is Cuba. All imported is raw material.

Duty on Sumatra wrapper and Havana wrapper tobacco is \$2 per pound; filler tobacco, 35 cents per pound.

Our imports correspond to none of domestic character.

The rate of duty was changed by the tariff act of 1890 from an average of 55 cents per pound on tobacco suitable for wrapper to \$2 per pound. Rate of duty is specific.

The cost of Sumatra tobacco has increased 33 per cent in Holland since the tariff act of 1890.

The goods which we import can not be produced in this country.

A specific rate of duty is desired; because under an ad valorem rate duty can easily be evaded.

Leaf tobaccos produced in this country are of an inferior quality, so that our tobacco (domestic) is no competitor of that which we import.

To furnish the Government revenue, and for the purpose of protecting the domestic product amply, a uniform and specific rate of duty of 50 cents per pound on wrapper and filler tobacco alike would very largely increase the revenue for the Government and, at the same time, effectively protect the domestic product. A high protective tariff of \$1 per pound on the indispensable wrapper tobacco will concentrate the large cigar manufacturing industry in the hands of a few large manufacturers, impoverish the multitude of men of small means engaged in this industry, and undoubtedly decrease (it has done so already) the compensation of 250,000 laborers employed in this industry.

---

No. 4379.

*Reply of A. Cohn & Co., of New York City, importers of Sumatra wrappers.*

We import Sumatra wrappers.

Rate of duty is \$2 per pound. Before July, 1890, the duty was from 35 to 75 cents per pound.

The cost of Sumatra tobacco has increased 30 per cent and over for the kind we import since 1890.

The specific rate of duty is absolutely necessary; an ad valorem can very easily be evaded by irresponsible parties.

Leaf tobacco produced in this country is considered by some experts to be of a far superior quality to the imported Sumatra. Still the public demand to-day the Sumatra, as their tastes have been cultivated to that article.

Our general views on the subject of a change in the tariff of 1890, on tobacco especially, is that, for revenue only, it would be more advantageous to the Government financially, as well as to the tiller of soil, to have one uniform rate of duty on all imported tobacco, whether fillers or wrappers, as it would be the only means of collecting the proper duties on certain tobacco.

No matter at what figure you place the duty, let it be uniform.

---

No. 4380.

*Reply of The Loeb Cigar Company, Columbus, Ohio, manufacturers of cigars.*

The prices on hand-made cigars are pretty much the same to-day as in 1884, 1890, and 1892, but goods (cigars) made by labor-saving machinery are much cheaper. Our cigars are made by hand, and, therefore, command the old prices. They are sold on sixty and ninety days' time, but sometimes we have to wait much longer.

Wages paid are from \$8 to \$10 per 1,000 cigars.

We desire a specific rate of duty, because it would prevent fraud.

The duty on Sumatra tobacco should be materially reduced, because it adds heavily to the cost of cigars without getting a sufficient increase of price, and the consumers demand a Sumatra-wrapped cigar.

No. 4381.

*Reply of ———, of ———, importer of cigars, cigarettes, and tobacco.*

[Name and location withheld by request.]

Rates of duty on importations are \$4.50 per pound and 25 per cent ad valorem on cigars and cigarettes, and on tobacco 40 cents per pound.

The goods I import compare with no domestic as a rule. Occasionally the best grades of domestic can compare with the lower grades of imported.

Wholesale price of goods in domestic markets are from \$75 to \$280 per 1,000.

Tariff act of 1890 made changes in specific duty only; from \$2.50 to \$4.50 per pound.

There has been no material increase in cost of goods I import since 1890.

Have found no domestic-made cigars equal to fine Havanas, owing perhaps to scarcity and high cost of finer grades of tobacco, and to its need to the Havana manufacturers.

It is very improbable whether articles such as I import were ever exported from this country to the countries from which they are now imported.

I believe the export price and local market price is the same.

Wholesale rates of Havana manufacturers have hardly had any change since 1884. What I am accustomed to import cost in Havana from \$23 to \$155 per 1,000, and have to bring here from \$75 to \$280, owing to the enormous specific duty.

Goods are generally sold for cash.

I am a purchaser. I get no commission for handling goods.

Ad valorem duty is desired, being less liable to fraud. Duties are most likely to be evaded under a specific duty owing to bribery of the weigher or partiality. Fraudulent invoices are not likely, as all custom-houses are furnished with rates of all the different brands and sizes of all manufactures, and all invoices must bear U. S. consul's seal, who I believe has to forward advice of any change in prices.

I imported in 1890, 215,000 cigars and 17,000 cigarettes; in 1891, 145,000 cigars and 11,000 cigarettes; in 1892, 141,000 cigars and 14,000 cigarettes; in 1893, 96,000 cigars and 1,000 cigarettes.

Can not compete with domestic productions as to price.

Cost of transportation is from 50 to 75 cents per 1,000.

I have no suggestion to make concerning customs laws.

From the above answers your committee will see how small my business is. You will also observe that since 1890 my imports have decreased over 100 per cent, owing to the excessive tariff. By itsaid the prices the home manufacturers obtain for their inferior goods are nearly as much as for the imported article. They pay no ad valorem duty; for the main part of their material 35 cents per pound and \$2 per pound on the wrappers. A margin of profit, so large, that I feel sure our manufacturers would feel ashamed to acknowledge it. I claim that every article ought to bring its value, a fair profit and nothing beyond.

Bull. 34—7

No. 4382.

*Reply of George W. Cochran & Co., of Washington, D. C., importers of cigars.*

Without definite knowledge, would place the prices from \$25 to \$95 per 1,000 in country of production.

Four dollars and fifty cents per pound and 25 per cent ad valorem is the rate of duty on our importations.

The highest grades of cigars made here compare to some extent with those imported from Cuba.

The wholesale prices ranged from \$88 to \$213 per 1,000.

Last tariff, act of 1890, increased the duty on cigars \$2 per pound.

Cost increased about 40 per cent, including commission, freight, and duty since 1890.

In our opinion, the only way we could export the cigars we import would be for them to be admitted duty free, and in that case with no success, as the additional cost from transshipment and handling would prevent us competing with Cuba.

We do not believe there ever have been any cigars manufactured in this country equal to those imported from Cuba. Do not believe the question of wages has anything to do with it. It is climate and other influence.

Never, to our knowledge, have the goods we import ever been exported from this country.

We know of no difference between export and market prices.

Prices at wholesale about \$31 to \$110 per 1,000 (estimated).

Imported cigars are bought for cash, sold on thirty days' time.

We are importers.

We prefer a specific duty, as it prevents fraud in consignments; duties are more likely to be evaded under an ad valorem duty.

Amounts of imports and value for past four years has been about \$25,000 or \$30,000.

We handle both domestic and imported goods. The excessive tariff limits the importation of Cuba cigars to such an extent that the business of importing cigars is a very small one.

England, through free trade, has been the most prosperous country in Europe.

In our opinion, if the Government wishes to raise more revenue from imported cigars, the duty should be reduced to \$2.50 per pound and 25 per cent ad valorem; or better still, make a specific duty of \$3 per pound, and abolish the ad valorem duty.

On imported leaf tobacco, classed as wrappers, there should be a specific duty of \$1 per pound.

---

No. 4383.

*Reply of Francis Kremler, of New York, N. Y., importer of tobacco.*

They employ pauper labor outside of the United States in manufacturing cigars.

I only buy Havana and Sumatra, and pay 30 cents and \$2 per pound duty on them.

The rates of duty were changed very little by the tariff act of 1890.

The cost of the goods imported by me, including freight, commission, and duty, is about the same as in 1890.

My opinion as to the conditions necessary to be maintained in the United States to make it an exporting country of the same goods I now import, is that we must have a protective tariff.

The goods I import can not be manufactured in the United States without a reduction of wages, because wages are higher in the United States.

Not much of the goods we import have been exported to the country from which I import. We consume all our cigars.

Goods are generally sold on terms of thirty to ninety days to manufacturers.

We are paid from 3 to 5 per cent for handling goods on commission.

The average rates of interest in the country of production of our goods are from  $4\frac{1}{2}$  to 6 per cent.

Wages have decreased during the past three years for both skilled and unskilled labor.

I want a high tariff. I object to a low duty on goods.

Living costs for 3 families, with an average of 3 in a family, \$30 per week.

They have protection in the country where my goods are manufactured.

I have imported \$1,000 worth of Havana cigars during the past four years.

I would like to see tobacco and cigars stay as they now are; so would many other manufacturers.

#### No. 4384.

#### *Statement of Philadelphia cigar manufacturers.*

##### *Duty on wrappers, coming mainly from Sumatra.*

	Tariff of 1883.	Tariff of 1890.	Present bill.
Leaf, unstemmed.....per pound..	\$0.75	\$2.00	\$1.00
Leaf, stemmed.....do.....	1.00	2.75	1.25

##### *Duty on cigars.*

	Per pound.	Ad va- lorem.	Duty for 1,000.
Tariff of 1883.....	\$2.50	25 percent.	\$37.50
Tariff of 1890.....	4.50	25 percent.	61.50
Present bill.....	3.00	25 percent.	43.50

This is on the basis of 12 pounds to 1,000 cigars.

Foreign tobacco and wrapper leaf are luxuries, and the real question is, What rate of duty will produce the most revenue?

The first indubitable fact is, that the present rates of duty have not increased the cost of cigars to the consumer. With this fact in view, the duties on both cigars and tobacco should stand together.

The use of Sumatra tobacco for wrappers is based not upon its value as tobacco, but upon its color and beauty as a wrapper or covering, and the figures show that the duty added in 1890, of \$1.25, did not decrease the importations.

These figures prove this fact:

*Wrapper leaf imported.*

	Pounds.		Pounds.
1885.....	2, 217, 919	1891.....	4, 908, 545
1886.....	4, 000, 519	1892.....	2, 661, 932
1887.....	4, 213, 336	1893.....	5, 374, 765
1888.....	5, 861, 472		
1889.....	5, 024, 455		
Total, five years.....	21, 317, 701	Total, three years.....	12, 945, 242
Average, five years.....	4, 263, 540	Average, three years ..	4, 315, 080

This table does not include 1890, when the imports were 9,735,000 pounds. This was the result of the rush of importations to get wrapper stock in at the low duty.

Under the \$2 duty the imports of Samatra for the three fiscal years, 1891-1893, averaged a little more per annum than the annual average for the five years prior to 1893. Therefore there must be a falling off in revenue under any reduction of duty, or the imports must at once be double the average of the past ten years (excepting that of 1890), or about 10,000,000 pounds per year.

To increase the revenue, even under the dollar rate, imports must be more than doubled, while under the 35-cent duty, which the Sumatra importers are now working for, about six times as much foreign wrappers must be imported to yield as much revenue as heretofore.

The following figures show importations of and duty on leaf tobacco for nine years:

Year.	Pounds.	Duty.	Total duty.
1885.....	2, 217, 919	\$. 52	.1 153, 317. 88
1886.....	4, 000, 519	. 52	2, 080, 269. 88
1887.....	4, 213, 336	. 52	2, 190, 934. 72
1888.....	5, 861, 472	. 52	3, 047, 965. 44
1889.....	5, 024, 455	. 52	2, 612, 716. 60
1890.....	9, 734, 999	. 52	4, 062, 119. 48
1891.....	4, 908, 545	2. 00	9, 817, 090. 00
1892.....	2, 661, 932	2. 00	5, 323, 864. 00
1893.....	5, 374, 765	2. 00	10, 749, 530. 00

The assertion that lower duties will produce more revenue is speculative; for if Sumatra is so vital a necessity it will continue to be imported even at a higher duty than that now in existence. Tobacco facts and statistics since 1890 prove this: If the consumer wants a foreign or a pretty cigar he will pay its price. As a fact, increased duty has not increased the price of this luxury nor decreased its importation. The enormous profit upon this form of luxury is the only explanation of this apparent anomaly. It can also be safely said that reduction of duty will not reduce the cost to the consumer. From 38 pounds imported in 1880, the importations of wrapper leaf have grown to nearly 5,500,000 pounds in 1893, and revenue duty should grow with equal pace.

The annual output of cigars prior to 1890 was about 3,800,000,000. It did not increase under the low duties of 1883. Immediately upon



the passage of the act of 1890, the quantity of foreign cigars imported diminished by nearly one-half, and revenue received through tariff duties did not increase. To reduce the duty thereon will not cure the evil, if one exists. It is apparent, however, that the increase in the total output in cigars within the country and accounted for in duty through internal-revenue taxation fills the gap, if one exists.

This output has increased in a most astonishing manner. In the fiscal year 1890, the total output of cigars was 3,989,994,434. The increase in the year 1891 over that was 416,702,247; and in 1892 and 1893 was, respectively, 508,063,849 and 775,281,338; a total increase in three years of over 1,700,000,000, and a gain to the revenue of over \$5,000,000.

The whole import of cigars has never been but a little over 2 per cent of the whole output of cigars, and the loss to the revenue has been comparatively small. This, no doubt, led the House committee to make the reduction of \$1 per pound. But this mere diminution of imported cigars is not the whole case. Immediately on the enactment of the law of 1890 the manufacture of clear Havana cigars was enormously stimulated, as above stated. Many rich establishments in Cuba removed here their entire plants, and they have added to the wealth and population of the country, as witnessed by the growth of such places as Tampa, Key West, and Ybor City. The \$2,000,000 received from internal-revenue duty over anything obtained prior to the year 1891 is largely due to this increased output of clear Havana cigars.

By retaining the present duty on imported cigars we maintain the revenue from that source intact and hold all we acquire by increase of tobacco importation from Cuba as well as in domestic production of cigars, and keep on our own soil all of the capital and labor needed to produce this added output.

The Ways and Means Committee had not the whole case before it when it passed this schedule. They have been misled by the importunities of those directly interested against our view of the public necessities for revenue from luxuries. It may be true that less Sumatra tobacco was imported in 1893 than previously, but it is to be remembered that depression existed in this manufacturing business, as well as in every other form of manufactures. The table of averages we have given is the answer to such an argument.

But it is also true that there are also in bond 6,000,000 pounds of Sumatra tobacco awaiting the action of Congress upon this subject. If the duty be reduced 50 per cent the Government will lose at once the \$6,000,000 of duty represented by the cupidity of those who "bide their time."

This industry has thrived under existing duties. It is a luxury and a fair subject for even an increase of taxation. It costs the consumer nothing. The proposed change must inevitably decrease revenue, and the maintenance of present rates will be one of the first sources of much needed supply to the Treasury.

The demand for revenue, quick and permanent, can here be met by taxing a deleterious luxury and that, too, without added cost to the consumer.

No. 4385.

*Reply of Augustus Pollock, of Wheeling, W. Va., manufacturer of cigars.*

If national revenue requirements demand an increased tax on cigars I may be permitted to invite your favorable consideration of separate classification for cigars manufactured of domestic tobacco in distinction from cigars made in part or entire of foreign tobacco, and to request in the interest of possible equitable distribution of taxes, and the agricultural, industrial, and economic prosperity involved the retention on the existing tax on cigars of the domestic classification.

In support of this request I may be permitted to add that the domestic cigar and stogie industry of Pennsylvania, Ohio, West Virginia, and other States is taxed at the existing rate of \$3 per thousand, 25 to 75 per cent on actual cost of production, while cigars manufactured in the country partly, or entirely of foreign tobacco, prorate in the tax 5 to 10 per cent, and that besides the manufacturing margin on the production of domestic cigars and stogies is scant, the adjustment of value of labor and product modest, and the industry unprepared for the imposition of increased burdens.

While, if the request of separate classification and retention of existing tax is approved and adopted, it requires only the change of stamps in the internal revenue system, to deliver the existing law governing its administration of its inequality, it will conserve the interest of the American tobacco grower, and promote confidence in the integrity and patriotism of national legislation.

---

No. 4386.*Reply of D. Hirsch & Co., of New York, N. Y., manufacturers of cigars.*

Only lack of patriotism and callous selfishness, unwarranted by facts, cause the Cigar Manufacturers' Association to try to induce your honorable body, by representations not tenable after careful examination, to have the duty on tobacco for wrappers changed from \$1.50 as now proposed to \$1 per pound, because while it would be really of no moment to the manufacturer, in no wise harm cigar makers, and not enhance the price of cigars to the smokers, the American farmer who raises tobacco would suffer great losses and hardships, by thus making his product almost worthless, and he would eventually be forced out of his legitimate sphere. Furthermore, the lowering of such duty would also enhance the price in Holland, and the money which otherwise would go into the United States Treasury would simply find its way to the raisers of and speculators in Sumatra tobacco. I therefore most respectfully request that, for reasons above stated, no notice be taken of petitions to lower the duty on imported tobacco. Being engaged in the manufacture of cigars, and that for more than thirty years last past, I would not be a party to the Cigar Manufacturers' Association's petition, and I wish to go on record as being against such reduction.

No. 4387.

*Reply of Reynolds, Rogers & Lay, of Binghamton, N. Y., manufacturers of cigars.*

It is very essential for the best interests of the cigar industry that we have a uniform duty of 35 cents on Sumatra tobacco. We have been unable to receive any advance on Sumatra-wrapped goods since the present tariff was made a law. All of our help can make better wages from using Sumatra tobacco. We wish the present duty to remain on imported cigars; if same is reduced it will greatly injure our business. It is utterly impossible for us to do business without Sumatra tobacco. The present law has driven all of the smaller manufacturers out of business. The manufacturers have lost the interest on their money invested in Sumatra and the shrinkage on same, owing to the fact that in order to protect their trade they were forced to buy large quantities of Sumatra tobacco and have been unable to obtain any advance in price and have repeatedly tried to introduce seed-wrapped goods in place of Sumatra, and in every instance it has been a failure.

You understand that it is almost impossible to get any advance in price on cigars, as a cigar is either a 5-cent cigar or a 10-cent cigar and jobbers and retailers will not pay more than a stated price, and the only thing left for the manufacturers is to reduce the wages of his employés or to make goods of an inferior quality.

We have been conducting our business lately in the hopes that Congress would give us a uniform duty of 35 cents, as asked, before making any reduction in employés' wages, which must be done unless Congress gives us the duty asked.

We believe that if you will carefully look over the petitions that have been submitted in regard to this duty you will find that fully two-thirds are praying for a uniform duty of 35 cents.

We employ from 400 to 500 people, and the advanced duty under the tariff of 1890 has been a great loss to both the manufacturers and employés, and all have protested against the same ever since the bill became a law.

All of the cigar manufacturers and their employés are looking to you for relief.

---

No. 4388.

*Reply of Ramon Peseira, of Key West, Fla., manufacturer of cigars.*

[Established in 1888.]

Since the passage of the present law, my business has been decreasing until I have been compelled to cease manufacturing. The rich manufacturer has all the better chances under the present tariff.

I am in favor of same (or none) duties on leaf that existed prior to the tariff of 1890. Why? Because all manufacturers are equally benefited.

All reduction of duties will proportionally reduce the cost of production and goods will be easily sold.

Goods are sold according to grades, their prices in former years ranging from \$115 to \$42 per 1,000 cigars. Under the present law they

have been sold at a loss, the rich manufacturers having better means to obtain some profit, as they control at their will the leaf business.

I desire no duty on importations of leaf, and on cigars let duty stand as it is.

Revenue taxation will better accommodate all manufacturers, as same is paid when goods are sold, this being a great help.

Wages during past twelve months have had a small tendency toward a decrease.

An estimate of cost of living of the workmen and their families here is difficult to give, but their general expenses are over \$12 per week.

In regard to the existing law on importations, the best suggestion I can make is, that every small manufacturer will claim for no duty on the leaf tobacco and to keep in all its force that on cigars. This will undoubtedly increase the business and give a satisfactory return to the Treasury.

Living at this place always has been costly.

Our raw materials are leaf tobacco (imported).

I consider cigars both a necessity and luxury.

The general rate on loans here is 15 per cent per year.

Immigration does not affect the manufacturing business.

Never have employed more than 30 men. I employ none now.

My hours of labor are regularly from 6 a. m. to 5 p. m.

I meet with competition from Havana cigars, and as we can give same quality of goods for less money, a higher duty on them will favor our home industry. Any reduction (as proposed in Wilson bill) will materially affect us. For a small difference in price the imported goods will have the preference.

I have never exported any goods.

There has been a small decrease in cost of manufacture, which amounts to nothing. The decrease has been in labor.

I could realize better prices before the present tariff.

Leaf tobacco (imported) duty, \$2 per pound (wrapper); 35 cents per pound (filler).

An internal-revenue duty or taxation on manufactured goods will be better approved and will pay largely the Treasury, as people could afford to buy a better quality of cigars and the manufacturer to sell them cheaper.

Great many people depend on this industry, and I ask your attention to this subject.

I have made my best efforts in giving you the best information without the proper technicality, as I am not very well acquainted with the English language, and beg for your excuse for any mistake you may find.

---

No. 4389.

*Reply of Kerbs, Wertheim & Schiffer, of New York City, manufacturers of cigars.*

We notice among the Washington dispatches, in our daily papers, the following report as to the tobacco and cigar schedule which is to be introduced in the reconstructed "Wilson tariff bill," viz: "On all foreign manufactured and unmanufactured tobaccos, 75 per cent ad valorem duty, and on manufactured cigars 100 per cent ad valorem duty."

We beg to call the attention of your honorable committee to the fact that if this law is enacted it will drive out almost every vestige of the cigar-manufacturing interest from the United States, for the reason that if cigars are imported from various foreign countries with the duty of 100 per cent our American manufacturers can not possibly compete.

To-day there are large quantities of inferior German cigars manufactured throughout Germany and Austria which are sold as low as from 20 to 25 marks per 1,000. These goods can easily be landed in this country and pay a duty of 100 per cent at \$10 per 1,000.

There are also manufactured on the island of Cuba large quantities of cigars, made entirely of Havana tobacco, which are sold as low as \$10 to \$11 per 1,000, and from that up to \$25 per 1,000. These goods, under the 100 per cent ad valorem duty, would be landed and sold in this country at from \$20 to \$50 per 1,000, and thereby drive out entirely the manufacturing of cigars in this country.

We employ at present in the neighborhood of 1,400 people, and in case the Wilson bill would go into effect with the tobacco clause as stated above, we would be at once compelled to close up our factory, discharge our hands, and thereby destroy a chance of livelihood of 1,400 people. Our case is only one of thousands who are engaged in this line of business.

In reference to the ad valorem duty on leaf tobacco, we beg to call your honorable committee's attention to the fact that, we think, from the nature of tobacco, it is a matter of impossibility to honestly and fairly administer an ad valorem duty on this product, there being such a vast difference in opinion regarding the quality and value of leaf tobacco. It would leave the doors wide open for fraud, from the fact that it would be a matter of impossibility to obtain expert testimony as to the exact valuations of various parcels of tobacco, and, in the end the Government would be cheated out of a very large amount of money from undervaluations, whereas, with a uniform duty of, say, 50 cents per pound, would make it possible for American manufacturers to successfully compete with all foreign countries, providing the present duty of \$4.50 and 25 per cent ad valorem duty was still imposed on imported cigars.

Furthermore, the 75 per cent duty on tobacco, with 100 per cent duty on cigars, would seriously affect and destroy the raising of tobacco for cigar-manufacturing purposes throughout the United States. As a matter of course, if the manufacturing of cigars is destroyed, the farmer will have no market for his tobacco.

We earnestly hope and trust that your committee will reconsider the tobacco and cigar clause, so as not to literally wipe our business out of existence.

---

No. 4390.

*Reply of W. S. Hagans, of Chicago, Ill., manufacturer of cigars.*

I take the liberty to appeal to you in the hope that I may enlist your interest and good efforts in a cause I believe to be just and fair, and of vital interest to the country at large.

The contemplated reduction of \$1 per pound on Sumatra tobacco and \$1.50 on imported cigars (making a reduction of \$2.50 per 1,000 on cigars manufactured in this country, and making a reduction of \$15 to \$20 per 1,000 on imported cigars) is not only discriminating, but



unfair, since such a reduction would benefit a few importers of Sumatra tobacco, a few importers of cigars, the manufacturers of cigars in Cuba, and the merchants in Amsterdam, to the detriment of our farmers who are at present merely protected to encourage them in raising good tobacco for wrappers, which, while they are at present selling at remunerative figures, by no means compels the manufacturer to pay excessive prices to the detriment of the manufacturers who will be compelled to make less fine goods and more low grade and inferior and common cigars, as the foreign article will be more in demand; to the detriment of the cigar-makers, who will necessarily have to accept lower wages, skilled labor being replaced by the low-grade labor of making cigars in molds, shapers, and paper bunches; imported cigars would sell cheaper and will drive out of the market our fine domestic goods, which, in proportion to the price, are as good as the imported article. Neither Sumatra tobacco nor imported cigars are necessities of life.

The Government needs the revenue; and in my experience of over fifteen years I have never seen a time when the duty on tobacco and imported cigars was more fairly adjusted, affording the farmer a stimulus to raise good tobacco, the manufacturer the opportunity of making the finest goods that have ever been produced for the same money and at a fair price, the consumer also deriving the benefit of getting the equivalent for his money, and the wage-earning class receiving satisfactory compensation for their labor.

I beg you to give your mature and conscientious consideration to the above facts, and ask you to cooperate with the members from Connecticut, Massachusetts, New York, Pennsylvania, Ohio, Florida, and Georgia to make as hard an effort as you can to prevent Schedule F in the Wilson bill from becoming a law.

---

No. 4391.

*Reply of Christian Raffle, of Red Bud, Ill., manufacturer of cigars.*

I am a manufacturer of cigars on a small scale. I have only 1 man in my employ. I manufactured during the past year 135,000 cigars.

I think the present rate of duty on Sumatra wrappers is too high, which is \$2 per pound. Even the Wilson bill duty on Sumatra is too high. Mr. Wilson claims he has fixed the duty on Sumatra wrappers (\$1 per pound) so as to bring most revenue to the Government. I think he is mistaken. A duty of 35 to 50 cents would bring more revenue than \$1 per pound. The present high tariff is ruining the cigar trade. The cigar manufacturers must have Sumatra. Domestic tobacco is not fit for wrappers; is of inferior quality. Tobacco-growers are still protected. It only costs 12 cents to raise a pound of tobacco, and cigar manufacturers are willing to give them a tariff of 35 cents on all imported tobacco. I think the present duty on imported cigars is about right. We could not compete with Cuban cigar manufacturers. Our wages are much higher, and they have the finest tobacco in the world growing at their door. So you can easily understand why American cigar manufacturers must be protected. There is a duty of 35 cents per pound on Havana and all other imported tobacco, except Sumatra, which at present is \$2 per pound, and in the Wilson bill \$1 per pound. I think this is not a just way of placing duty, and is very injurious to the cigar business.



No. 4392.

*Reply of M. Prowler, of New York, manufacturer of cigars.*

In my opinion a specific duty is the best.

Wages are less the last six months; cigar-makers make at present \$12; the same men made \$15 a week six months ago.

Please excuse me for stating that I believe changing our present tariff law is the reason that business is dull.

---

 No. 4393.
*Reply of A. B. Santa Rosa & Co., of Tampa, Fla., manufacturers of cigars.*

My opinion in reference to customs duties on Havana leaf tobacco is that a uniform duty of 50 cents per pound be charged on all grades of unstemmed tobacco and 75 cents on stemmed or stripped, rather than specific duty as at present; that fillers pay 35 cents and wrappers \$2 per pound, and everything be passed in as fillers. With rare exceptions, throughout every custom-house in the country, uniformity would insure regularity, and all would be treated alike, as the inspecting and appraising of the goods leads to the possibilities of many evils. At present the duty on Havana, Cuba, unstemmed tobacco can be said to be uniform, 35 cents per pound. As the \$2 class, the wrappers, remain ignored, I would suggest the following examples to your consideration: The average calculation on unstemmed tobacco required to make 1,000 cigars is 25 pounds, at 35 cents. The import duty costs \$8.75, while, if the present duty, as the law reads, was in force, the duty on those 25 pounds would be as follows: 20 pounds fillers, at 35 cents, \$7; 5 pounds wrappers at \$2, \$10; making, in all, \$17. While the law makes the duty \$17, the Treasury only gets \$8.75, leaving a deficit of \$8.25. Such is and will undoubtedly continue to be one of the innumerable evils of the specific plan to which it is amenable. Making it a uniform duty, at the rate of 50 cents per pound, those 25 pounds would bring a duty of \$12.50. It would not be too much, all the evil possibilities would be out of the way, and everyone would be treated alike, while the Government would be sure of its revenue in whole.

Now, I would suggest a uniform duty of 75 cents per pound on all stemmed or stripped tobacco imported from Cuba, for the following reasons: It is stemmed or stripped in Cuba by females at the rate of 5 cents, Spanish silver coin, which is at great discount, making it the most about 3½ cents of our money, while we pay here 10 cents per pound, for the same for which they get 3½ cents. Now, besides that labor it has to be manipulated in different other ways, which, together with the stemming or stripping, would employ many of our unemployed. The shrinkage on those goods is 25 per cent, as compared with the unstemmed. This line of goods is, at the present duty of 50 cents, very desirable, and of more advantage to our manufacturers than the unstemmed fillers.

The business of manufacturing Havana cigars in this country has made rapid progress from day to day, and at present cigars are selling cheaper than ever, owing to the great competition, and notwithstand-

ing the present protective tariff (I refer to Havana cigars made in this country only). Cigars that were sold readily before the present law at \$55 and \$60, are now selling slowly at \$45 and \$50. I think the cause to be the great competition due to overproduction. Cigars are being made in this country as fine as they are made in Havana.

I think that the cigar manufacturing business in this country will continue dull, as there is undoubtedly an overproduction, and this will shortly become greater owing to the fact that the large factories in Havana, Cuba, are mostly crippled. Since 1890 they have lost their great trade with this country, which amounted to about 75 per cent of cigar exports, besides, those great factories have lost much of their European trade, owing to the fact that so many of their finest skilled workmen being unemployed by them, have started to work in the small retail shops, the consequence being that the speculators from this and other countries are now trading with those small Havana shops and getting as good goods from them in many cases for less than half the original large factory prices. I was at Havana six days in January last, and had an opportunity to witness and to investigate all these facts. I saw cigar-makers of skill making cigars in those small shops at \$5 per 1,000, and only allowed to make \$1.50 per day, while the same class of work would be paid for at \$20 in large factories. The tobacco to make such cigars costs about \$6, Spanish gold. I saw a fine 4½-inch Concha, especial cigar, selling at \$16 and \$18, Spanish gold. The condition of the cigar manufacturers in Havana is insustainable, precarious, ruinous, and their only hope of salvation is to start branch factories in this country. This State, Florida, is opening them inducements at Key West and Tampa and its suburbs.

Should those Havana manufacturers start their branches here with them they will bring their own starving cigar-makers, and as some of those, or most of them, Havana people, have brands of great fame and reputation, and indeed being able to produce the finest of goods, I fear that their entry will surely cause a great deal of mischief to the cigar trade all over the country. Now, as some cigar manufacturer at Key West had some misunderstanding with his cigar-makers and has brought a large number of workmen from Havana to fill the places of those whom he had employed for years, I earnestly call the attention of your honorable body to the point at issue in that locality. A thorough investigation may elicit some valuable points for your committee. I think that any immigration of the cigar trade from another country, and especially Cuba, at present would only tend to spread ruin and misery over the trade affecting the cigar and tobacco business of the whole country at large, as clear Havana cigars are already selling cheaper than those made mixed with our domestic tobacco in our New York and Philadelphia factories.

Should those alleged facts become known over the country I think the whole trade would agree with me.

I have written this paper, impelled by my love of country and of our institutions, and not in any way guided by any impure sentiments or personal interests, and remain ready to answer any further inquiries of your honorable body.

No. 4394.

*Reply of William Eggert & Co., of New York, importers of leaf tobacco.*

[Established in 1855.]

We import Havana and Sumatra leaf tobacco.

Florida and Georgia tobaccos are very good substitutes for Sumatra.

A uniform specific duty is undoubtedly preferable to an ad valorem duty, as the latter opens the door for fraud and perjury. Under ad valorem duty will be evaded.

We own a plantation of about 150 acres in Connecticut, where we commenced raising tobacco two years ago. Last year we raised about 50 acres, averaging 1,500 to 1,700 pounds to the acre, value of which per pound is about 30 cents, while previous to the present law tobaccos in Connecticut brought the farmer only from 12 to 18 cents per pound. Our opinion is that if the present duty of \$2 per pound is maintained the States of Florida and Georgia will, in a very little while, give us as good and handsome wrapper leaf as Sumatra.

We have been in the leaf-tobacco business since 1855.

No. 4395.

*Reply of B. S. Sutz, of Felton, Pa., manufacturer of cigars.*

I am a cigar manufacturer and at present can't do anything. If the duty or tariff is taken off of the Sumatra tobacco York County tobacco farmers and cigar manufacturers will all have to take another step. York County is mostly depending on tobacco farming and manufacturing cigars; and if Sumatra is put down as the Wilson bill wants it our tobacco will and must be put away with, and therefore the farmer must stop farming our tobacco, as he can't sell it, and the manufacturer must work Sumatra tobacco. I am a reader of papers and tobacco journals, and so far there is not one lot of 1893 York County tobacco sold. And what is the cause of it? I can tell you. The tobacco dealers and manufacturers are waiting on the Wilson bill, and if it is passed the way it is they won't buy any, and then our tobacco farmers must do something else. My remedy for present depression would be to put the Wilson bill under the table and leave it there, and if we or our country had never heard of it why this present depression in trade would not be, and all things would be right. I expect to meet the reduction of duty with a shut down.

No. 4396.

*Reply of H. I. Gladfelter, of Hanover Junction, Pa., manufacturer of cigars.*

I am a manufacturer of cigars, employing 50 workers, and see nothing that is detrimental in the proposed tariff legislation as set forth in the Wilson bill, save the suspense it meets with in the Senate, of which

you are members. As a life-long Democrat I can only lend my voice to millions of others in saying, for the love of the party, in consideration of the suspended business industries of the country, and the duty you all owe to it, pass the bill quickly or take the responsibility of relegating the party to such unfathomable obscurity that will end its career forever.

---

No. 4397.

*Reply of Marks Gittleson, of New York City, N. Y., manufacturer of cigars.*

[Established in 1876.]

Before the tariff of 1890 went into existence I employed 8 hands, now I only employ 1.

I prefer a specific duty only, as an ad valorem duty also makes too much money for importers.

If the duty is reduced one-third and the internal revenue increased, the cost of production will be more than the present rate.

There was no increase in prices in 1884, 1890, and 1892.

There has been no increased competition except for large manufactories.

I am not manufacturing as many goods as in 1892, as the price of raw material is too high.

There has been a great decrease of wages during the past twelve months.

The cost of living of families of skilled workmen is, at the lowest, about \$2 per day.

Price of living, in rents and necessities, has increased about 10 per cent in four years.

To correct the present depression in trade, put a high tariff on raw material and immigration.

Our raw materials are wrappers and fillers (Havana).

Our goods are both a luxury and a necessity to smokers.

We pay the rate of 7 and 8 per cent on loans.

Immigration has crippled my business, for immigrants work too cheap to live.

Reduction of duty on goods must be met by giving better and cheaper articles to my consumers.

Foreign articles do not compete with ours.

We export no goods.

Cost of manufacture has increased since 1883 about \$4 on the 1,000. The increase has been in materials.

Selling prices have not changed since 1890.

I consume very little of the agricultural products of our country, binders and Connecticut wrappers only.

I use Havana fillers and wrappers and Sumatra, \$2 and 35 cents per pound duty.

If raw materials were free I would be satisfied to pay on manufactured goods.

There has been no increase in wholesale prices since 1892.

I recommend a reduction to 75 cents per pound on wrappers and 35 cents for fillers. In conclusion give me cheaper raw materials and do not increase the internal revenue and I will be satisfied that my business will improve and I will employ more hands.

No. 4398.

*Reply of Samuel Brillhart, of Lancaster, Pa., manufacturer of cigars.*

[Established in 1879.]

Have been running steady for the past fifteen years with the exception of the past year, when I have been working but nine months on account of dullness. The wholesale prices of my goods in 1892 were \$10 per 1,000; at present they are \$8.

I do not import or export any goods.

The price of living has decreased, but not to the extent of the loss in wages.

The goods I manufacture are luxuries. The cost of manufacture has decreased both in material and wages since 1883.

I think a higher rate of duty on imported tobacco would be a benefit.

No. 4399.

*Reply of Barlow, Rogers & Co., of Binghamton, N. Y., manufacturers of cigars.*

We are manufacturers of cigars—medium-priced goods. Before the passage of the present law we were able to make a little money, but since that time we have lost money on every Sumatra-wrapped cigar we have put out. Our business has fallen off fully one-third, partially for the reason that we could not afford to do a large business at a loss. The only incentive for us to continue was the hope that the Democratic party would fulfill their promise and give us a reduction of tariff.

We ask that the tariff on Sumatra tobacco be reduced from \$2 per pound to 35 or 50 cents; at this we could live and employ our help as we did before the robber tariff was enacted. Our production varies from 14,000,000 to 20,000,000 cigars yearly. We did employ as high as 500 people under the old tariff; we now employ about 150 and only work five days in the week and seven hours per day for the five days. If the tariff is reduced we can continue; if it is not we shall be obliged to retire from the cigar business.

No. 4400.

*Reply of Howard Myer, of Kingston, N. Y., manufacturer of cigars.*

If you would protect this particular line of manufacture, give us a good big duty on imported cigars and a moderate duty on Havana and Sumatra tobaccos (the latter is taxed entirely too high), and you will have every factory in this country running full time and paying good wages.

The trade demands Sumatra wrapped goods. With an increased internal-revenue tax and the present import duty on Sumatra wrappers, how can we give the trade good goods? It is impossible.

## No. 4401.

*Reply of John F. Conlon, of North Adams, Mass., manufacturer of cigars.*

As there were about 20 men in my shop at the time of receiving your circular, I thought it would be a good plan to read it and get the opinions of those present on the question, and the verdict was, with one exception: The country is better with protection, and that the best thing that the administration could do was to let the tariff alone. Remember that I am a Democrat and that all the gentlemen present were Democrats.

My business is that of cigar-making and I employ 5 men, and you know that the duty on Sumatra wrappers has a tendency to have our local farmers raise leaf as good as Sumatra and an encouragement to local industries. By this way you keep the money at home in circulation at the home markets. The farmers must live, and where do they go to buy their provisions? Do they go to Havana? Now that they spend their money in local markets, why should not the local dealers in provisions patronize them and buy their produce? My men who have been employed are now on the idle list, and I am sure they voice my opinion. The Democrats of this district are to a single man in favor of protection.

## No. 4402.

*Reply of Louis Ash, of New York City, N. Y., manufacturer of cigars.*

[Established in 1855.]

Larger merchants or manufacturers than I will give you the particulars in regard to customs legislation. Permit me to give you such facts as have come to my own observations and experience: I have manufactured cigars in New York for the past thirty-nine years. The present tariff on Sumatra tobacco has worked ruin to our trade. A tariff of 50 or 75 cents may restore our business. Under all circumstances, however, it should be a specific duty. Should 50 or 75 cent not be sufficient for the income of the Treasury I would advocate to raise the internal-revenue tax on cigars from \$3 to \$4 per 1,000. To protect home manufacturers the duty on imported cigars ought to remain as it now is, and cigarettes made of all tobacco ought to pay an internal-revenue tax of 50 cents, as they now do.

These are the opinions of an old manufacturer.

## No. 4403.

*Reply of George Hipps, of Baltimore, Md., manufacturer of cigars.*

[Established in 1890.]

The Wilson bill suits me.

The prices of my goods have been the same as at present.

Competition through foreign labor has increased.

I prefer ad valorem duty.



I have had 30 and 40 per cent reduction in labor.

I have no difficulty in construing the existing law.

The price of living is about the same as four years ago.

The remedy for the present depression would be to pass some bill or let it alone.

My raw materials are Havana, fillers and wrappers from Havana and Sumatra.

My goods are luxuries.

I pay the rate of 8 per cent on loans.

Immigration has kept us out of work, and if it keeps on it will make tramps of us.

\* None of my labor is skilled.

I employ no labor.

Foreign articles compete with me to the extent of about 30 per cent.

The cost of production has decreased about 40 per cent since 1883.

The decrease has been mostly in labor and 10 per cent in materials.

Selling prices are about the same as in 1890.

About all of the agricultural products of the country are consumed in my manufacture.

The component materials of my manufacture are Sumatra and Havana tobacco.

The labor is 50 cents a day in Havana.

---

No. 4404.

*Reply of R. W. Peak, of Philadelphia, Pa., manufacturer of cigars.*

[Established in 1876.]

I am engaged in the manufacture of cigars.

I have never run on full time for the last four years.

Material has advanced so high that the business has drifted to the large manufacturers, and with their capital have control of the home market.

I believe that free raw material in our business would be an advantage, and would place our domestic products on an equal footing with foreign producers.

If the rate of duty were to be reduced I do not think it would materially affect the cost of production, as the margin of profit has been so small under the present tariff. I use the same amount of imported material now as I used before the present tariff went into effect, and have to sell at the same price, and it takes more capital.

The wholesale price ranges from \$30, \$35, and \$65 per 1,000 at the present time, and has remained at this price since 1890. The competition has been in the larger factories, where capital has the controlling power, which is fast driving the smaller manufacturers to the wall.

I believe the specific is the most desirable, as it would be better understood and would be free from other surroundings. I think there is both a specific and an ad valorem duty on Havana tobacco at present. I desire to correct an error in Havana tobacco. There is but one duty.

I hardly think I am manufacturing as much as I did in 1892. It takes more capital and I am compelled to do a cash business. The wages are the same and have been for some years.

Have no difficulty in construing the present law in regard to importations. In my opinion it is the most objectionable law that was ever made as a tariff, and the sooner it is wiped out of existence the better it will be for the manufacturing industries. It may be advantageous to the classes, but it is a wholesale imposition on the masses.

The price of living has been on the increase to some little extent.

The cause of the present depression in trade might be construed in various ways. My opinion is want of confidence in the administration, not in the executive, but in the legislative branch, and when the expectation of the people is not realized in a reasonable time they become impatient and the calamity howler has the free use of his tongue. My remedy would be to pass the Wilson bill. The people voted for tariff reform and it ought to be brought about speedily. There should be no stumbling blocks in the way of its passage, and I am satisfied it will stimulate our industries. It will put into active operation our mills, our machine shops, and our foundries, and the clattering noise of busy industry will be heard throughout the land; it will open new markets in foreign ports for our large manufactories, and it will enable our small manufacturers to enlarge their business in the home markets.

The component parts of raw material are Sumatra and Havana tobacco, which under the present law are heavily taxed.

The goods I manufacture are classified as luxuries, but smoking and chewing tobacco are consumed by almost every poor man.

Immigration has no, or very little, effect, my labor being skilled.

The reduction of duty on our goods would leave us a fair, living profit. The material I am using now and the quantity used is the same as it was before the present tariff law went into effect, and I am compelled to sell at the same price. My prices have not increased with the tariff.

I have not been employing steadily; only at times to fill small orders. Skilled labor will, if steadily employed, make from \$10 to \$15 per week. They are employed about eight hours per day and work by piecework.

No foreign article of a like kind as far as raw material is concerned. I think the duty ought to be increased on the lower grades of imported cigars and the duty on raw material be made as low as possible. I export none.

The cost of manufacture has increased on domestic material about 50 per cent; on Sumatra more than double under the present tariff. The increase has been in materials.

Wages have not increased.

My selling price has not increased.

I am manufacturing the finer grade of goods. I do manufacture some lower grades, which contain all domestic, but more imported tobacco, Sumatra and Havana, is used in my business. Do not remember the duty on Havana. Sumatra's duty is \$2 per pound. If the duty were free there would be a necessity for the custom duty on the manufactured product. To make it more explicit, the duty on imported cigars should be high enough to prevent them from coming into competition with the retailing price of a 10-cent domestic cigar.

Wholesale prices range from \$30 to \$65 per 1,000, and have not increased since the present tariff became a law.

The changes I would recommend are the reduction on Sumatra tobacco—I think it should not be more than 50 cents per pound duty—and as low a rate of duty as can possibly be made on Havana tobacco.

In October last I wrote to the Hon. W. L. Wilson, chairman of the House Committee, previous to formulating the tariff, calling his atten-

tion to an important matter in regard to our business connected with the internal revenue. It was a material called "shorts." Previous to three years ago the then Commissioner of Internal Revenue ruled that there was a clause inserted in it that prevented the cigar-manufacturer from packing his own shorts. This is a material derived from the manufacturing of cigars, and accumulates from time to time. It seems that the previous administration was twenty-five years finding it out. It is a great advantage to the small manufacturer to have the privilege of putting it up in packages and stamping it like all other smoking tobacco. It would relieve him of this overplus material and would benefit him financially and add to the Government revenue. The truth of the matter is, that one or two large firms have monopolized this short-selling business and have the controlling power. I believe there are thousands of cases of this material lying idle in small cigar-manufacturers' cellars, whereby, if you would give them the privilege they had previous to three years ago, as I have already said, it would increase the Government revenue. These large firms will buy them, but pay scarcely anything for them.

---

No. 4405.

*Reply of George M. Geiger, of Belleview, Ky., manufacturer of cigars.*

I am a manufacturer of cigars, and therefore use imported leaf tobacco, Sumatra and Havana, but I do not import it myself. Since the present law has been in effect I use very little Sumatra, and therefore the consumer got the worst of it. My candid opinion is that 35 cents per pound on all leaf tobacco imported would be duty enough and give the consumer a better cigar. It would also be better for all cigar-makers if the raw imported leaf would be cheaper; it would give our workmen more and steadier employment, as they can compete with any workmen on the face of the earth, and I hope that the Democrats in the Senate will come together and pass the Wilson bill as it passed in the House, as it is a step in the right direction.

---

No. 4406.

*Reply of T. J. Furey, of Albion, Mich., manufacturer of cigars.*

[Established in 1887.]

I have done from \$5,000 to \$15,000 worth of business each year.

I have been running steadily since I started.

I think the duty on tobacco as the Wilson bill has it is quite sufficient; I am well pleased with it, but do not think it right to reduce the duty on manufactured cigars.

My wholesale prices are the same now as they have been, but the quality not so good, owing to the high prices of all kinds of tobacco.

I am not making as many goods as in 1892, as my capital will not allow it, and I have lost many discounts that I used to take before tobacco became so high.

Two of my married workmen make \$12 per week, and are strictly temperate; they say it takes all they earn to live.

I have to advance the duty on each bale of imported wrapper, which I have to use largely in my business because competition compels me to do so.

The price of living is about the same as four years ago.

I think the cause of the present depression in trade is the prospect of a change in the tariff, and the quicker the Wilson bill is passed the better, and let the people know just what they have to contend with. I think it will be a damage to my business more than anything else to reduce the duty on manufactured goods, for I think it would spoil all the benefits of a reduction of the tariff on raw material.

---

No. 4407.

*Reply of F. Neilson, of Providence, R. I., manufacturer of cigars and wrappers.*

I have been engaged in the manufacture of cigars, and understand that business. The trade has been very dull for a long time. Now, if you desire to make business of all kinds better, and especially the cigar business, the only way I can see is to let in free of duty any grade of tobacco that can not be raised in this country, namely, Havana and Sumatra tobacco. Then, by keeping a pretty strong duty on imported cigars coming into this country, the business must flourish well. There is no sense in having a tariff on any grade of raw material coming into this country which we are unable to raise ourselves, no matter whether that be tobacco or a certain grade of wool. When Havana tobacco fillers were on the free list, or nearly so, before the war, we could buy them at 33 and 35 cents per pound by the bale. As soon as the tariff went on they immediately jumped up to \$1.25 and \$1.30 per pound by the bale.

Such a state of things compelled our manufacturers to begin to adulterate their cigars with inferior tobacco raised in this country for fillers. It also compelled them to use poisonous extracts in order to flavor our inferior seed fillers, so as to obtain that Havana flavor which is not found in our American seed fillers. The result is people have stopped smoking, because they can not get the article they desire unless they pay 10 cents for the same cigar they used to buy at 5 cents; and still there are people in Washington who have the impudence to say that we raise in this country almost as good fillers as can be raised on the island of Cuba, when our fillers, the very best of them, bring only 40 cents per pound, while the Havana fillers bring as high as \$1.50 and \$1.75 per pound; that our farmer must be protected by a tariff on tobacco, when in reality he can not raise anything equal to it. If he could he would get the same price. As for Sumatra tobacco, we are raising better tobacco in this country as far as quality goes, but not quite so handsome. A low tariff would be better on Sumatra—50 cents per pound—but certainly no tariff at all on Havana fillers or Havana wrappers. Also, do not lower the internal-revenue tax on cigars unless the revenue is abolished entirely. Free raw material on any grade that we can not raise should be the watchword of the Democratic party.

No. 4408.

*Reply of Lichtenstein Bros. Company, of New York City, manufacturers of cigars.*

As one of the prominent cigar manufacturers in this city, we are earnestly opposed to the proposed amendment to the Schedule F of the Wilson bill fixing an ad valorem duty of 75 per cent on tobacco in its raw state and 100 per cent on manufactured tobacco and cigars. Such an enactment would result disastrously to the tobacco-growers and utterly annihilate the cigar manufacturing industry of this country.

A uniform specific duty of 50 cents per pound on unstemmed and 75 cents per pound on stemmed tobacco would be just and equitable to all interest and realize a larger income to the Treasury than the provision of the Wilson bill which provides a duty of 35 cents per pound on filler and \$1 per pound on wrapper tobacco.

A uniform specific rate of duty would enable the Government to collect its due revenue, and to avoid the possibility of any attempts to defraud the Government, which has certainly not been the case since the discriminating duty has been enforced.

---

 No. 4409.

*Reply of N. H. Cohen, of Grand Island, Nebr., manufacturer of cigars.*

[Established in 1883.]

The duty on Sumatra, as collected under the present law, has forced me to the wall. I have been a successful manufacturer of cigars for the past ten years, but since the advance in the duty on Sumatra has been in force my profits have been so small I have been finally forced to make an assignment to the sheriff of my county. The price of cigars could not be advanced, as the dealer was paying all he could afford to. The difference of 37 cents to \$2 per pound makes nearly \$4 per 1,000 cigars more in cost to manufacture.

I am in favor of free raw materials, providing they can not be produced in this country. Sumatra leaf tobacco does not come in competition with American tobacco, hence a duty is a burden, and has ruined my business without protecting anyone. Give us free raw material and we can compete with the world.

---

 No. 4410.

*Reply of William Sheridan, of Champaign, Ill., manufacturer of cigars.*

The reduction of \$1 on Sumatra wrappers will benefit no one. We raise good wrappers, and better quality than Sumatra, but not such fine looks. They simply deceive the public. If you wish to benefit the public leave the duty on Sumatra and reduce it on Havana fillers, as the fillers make the cigars, and, besides, we can not produce anything near it in this country. The soil and climate will not give the

Havana flavor. By leaving the duty on wrappers you give the public better goods and give the farmers in the East and North encouragement, as they can not compete with Sumatra in looks. The \$1 reduction will keep up high prices on Sumatra just barely enough to shut out home-grown tobacco and force manufacturers to put in a poor grade of fillers. We can not compete with any foreign country while there is a large duty on Havana. Be sure and keep a good, large tariff on all manufactured cigars, or you will surely kill the cigar industry, which, I think, is one of the leading industries. There are millions of people in the cigar industry in all its branches in this country. Whatever you do, do it quickly, and save the party from destruction. I have been fifteen years in the cigar business, and I am stating facts for the benefit fit of all concerned.

---

No. 4411.

*Reply of M. Salbide, of Newnan, Ga., manufacturer of cigars.*

[Established in 1885.]

I prefer an ad valorem duty; every article should pay duty according to its value.

My remedy for the present depression of trade would be increased currency circulation, to place silver on a parity with gold, and to repeal the 10 per cent tax on State banks.

The component material on which I pay tax is Havana tobacco; duty on wrappers, \$2 per pound; fillers, 35 cents. Duty on wrappers should not be over 50 cents, or, at most, 75 cents per pound, for over that it crosses the line of protective into prohibitory grounds.

---

No. 4412.

*Reply of Arnaud Brandstetter, of Morris, Ind., manufacturer of cigars.*

I am a small manufacturer of cigars. My output is about 90,000 a year, all domestic cigars, because a small cigar manufacturer is not in it under the present law. If you members of the Senate wish to favor the small manufacturer, put the imported tobacco fillers or wrappers on the same scale, say not higher than 50 cents a pound tariff, so we can make a 5-cent cigar with Sumatra wrapper, and the retail dealer can sell them with a fair profit; and if there will be a deficiency by reducing the duty, make it up by making the retail dealer pay a special tax, say \$5 or \$8 a year; that would make a few millions of dollars a year. There used to be a special tax for retail dealers in cigars and tobacco, and most all favor the special tax.

You ask if I produced as much goods the last year as in 1892. Why, no; I could not sell as many cigars, and if you did sell you would not know if you would get your money for them. The last year and a half was bad to collect money; years before that had no trouble to sell or collect. Pennsylvania farmers, with their factories, where they employ nothing but girls and give them from 5 to 25 cents per 100 to make them, and New York tenement houses, where the foreign trash is employed,



kill the cigar industry. I think if Congress would stop immigration, or say each emigrant must have \$50 to show up when they land, we would not get those poor people here who have to work for nothing and take the work away from our own American children, this country would be all right. There was a time that we needed them to build up this country, but in those times they were, in general, a different class of people than those that come over now.

I may get a little off the course from what you are asking, but you ask for information. I will say pass the tariff bill and do not forget the income-tax bill, a bill the poor and middle classes all favor in our part of the country. Republicans and Democrats all are for it, especially Democrats.

No. 4413.

*Reply of C. E. Cochran, of McConnellsville, Ohio, manufacturer of cigars.*

I will simply say that there are four or five cigar factories here, representing \$10,000 to \$15,000 all told, and all favor a reduction of tariff as far as Sumatra and other foreign leaf tobacco is concerned, for the reason that we make cheap cigars and the high tariff has caused us to pay one-half more for tobacco used and we can get no more for cigars than formerly.

All Democrats with whom I have talked favor a revision of tariff on the following conditions: First, ample revenues to meet all expenses; second, kept up on articles of luxury and reduced on articles used by the masses; third, distributed fairly over all sections, and, fourth, so as to secure the greatest good to the greatest number, and not made in the interest of this or that set of manufacturers.

No. 4414.

*Reply of E. Schiedknecht, of Mankato, Minn., manufacturer of cigars.*

My production of cigars has so diminished during the last three or four years that it is not worth while to make a statement. From 1879 to 1885 I manufactured as high as 120,000 to 140,000 per year, but worked with too small a capital, and laboring under a too long credit system. That reduced the profits. Now we are suffering under the prohibited duty on Sumatra, which has raised the price on our home-grown tobacco, to be used as a substitute for Sumatra, 50 to 75 per cent; consequently manufacturing requires more capital. The present duty on raw material is a detriment to all small manufacturers. The large concerns control the leaf business; consequently, to a great extent, the cigar business. We are compelled to use Sumatra wrappers as heretofore. The prices on good-grade cigars have raised about 4 to 5 per cent. Those made of tobacco raised in this country have not raised in price, but the tobacco they are made of has.

We are compelled to use Sumatra, for it is demanded.

Wages have not decreased more than \$1 per 1,000 at most.

The United States is a tobacco-producing country of importance, and the growers should be protected to some extent on wrapper leaf by

placing a duty of 75 cents to \$1 on Sumatra tobacco. The large tobacco dealers and cigar manufacturers are in favor of reducing the duty to 35 cents per pound on Sumatra; but I am not in favor of the scheme. They, I think, would be speculating on another rise in a few years, and then make another fortune out of the deal. The duty on imported cigars must be maintained, not only for the sake of revenue, but also for our protection.

It would be detrimental to the cigar industry of our country to have free trade, for the tobacco we can use for cigars is all raised at home, excepting Havana and Sumatra; so the gain on free tobacco would not be in comparison with the loss caused by free importation of cigars.

If the duty on imported cigars should be reduced, the duty on Havana tobacco should be taken off entirely.

The causes are too numerous, I think, and not thoroughly known, except by those who make it a study; but high tariff on raw material interferes with our effort. Living beyond the means of the wage-earner and uncertainty concerning legislation, silver and tariff, have taken an active part in bringing on the condition we are laboring under at the present time.

I have complied with your wish by giving my opinion on the pending questions to the best of my ability.

---

No. 4415.

*Reply of Geo. L. Lakman, of Carrollton, Mo., manufacturer of cigars.*

[Established in 1889.]

I am manufacturing cigars on a small scale; my capital, very small. I started in this business in 1889. I employ men only at times, but the last year past I have employed no one. For the last six or eight months times are getting harder. More scarcity of money.

Don't sell one-fourth of the goods I sold before these hard times set in, for when times are hard merchants are short in money, buy less goods, and what they buy they get mostly from larger firms as they get longer time on the goods.

Ad valorem duty is a bad way of taxing anything, as it gives opportunity to make false statements as to the cost of goods. My choice is a specific duty on tariff and internal revenue, but always have the tariff the same so as to make the price of foreign higher than domestic, for if the imported goods could be sold at the same price as domestic they would outsell at equal quality. The name of imported would sell the goods in this country in our business, as the majority of the consumers in our line of goods are not judges of quality enough to give the benefit to the merits. Manufacturing in this locality has decreased at least 50 per cent; wages decreased, I think, 50 per cent since 1892. The cost of living for an American skilled workman, counting rent, fuel, clothing, and necessities of life about \$2 per day.

All kinds of business depend on the wealth of the nation. The wealth of a nation consists of production. The nation's productions of all kinds give life to capital. Capital is dead without the creation or production of wealth. Wealth may be on the surface of the earth or under the surface, but without labor it is dead. So we see that prosperity depends on the production or creation of wealth. A portion of our industries

are idle; we must expect depression of business to the extent of the amount of money it has deprived the country of. In labor and the amount of sales that amount of capital is dead or out of circulation, causing scarcity of money and lack of consumption and confidence, thereby affecting all branches of business.

To begin, we must have the production or creation of wealth; next, enough money to transact business with. If productions are plenty and money scarce—not enough money—it takes too much labor to get it; or, in other words, it takes too much wealth to get the money, or the money has too much purchase power. We want all industries to work we can get in our own country, as they are the foundation that all rests on.

---

No. 4416.

*Reply of Isaac Trauerman, of Fort Wayne, Ind., manufacturer of cigars.*

I can only say to you regarding my own business that we had an ad valorem duty on Sumatra wrappers before the tariff law of 1890 was passed of from 40 to 75 cents per pound, while on all classes of tobacco coming from Cuba we paid 35 cents. The McKinley bill raised the duty on Sumatra tobacco to \$2 per pound, making every 1,000 cigars cost from \$3 to \$4 more per 1,000, and our goods are sold for just the same price on account of the great competition, which destroys at least two-thirds of our profit. In my opinion, 50 cents per pound on all imported leaf tobacco would be about a fair rate of duty and would give general satisfaction so far as imported cigars are concerned. There should be such a duty placed on this line so that American manufacturers can easily compete, as these two lines are the only ones that I am engaged in. I have given you my honest opinion upon the same.

---

No. 4417.

*Reply of Morris Jacoby & Co., of New York, N. Y., manufacturers of cigars.*

[Established in 1870.]

We produce about 15,000,000 cigars annually, averaging about \$35,000.

We have been running less time since August, 1893, on account of stagnation in trade ensuing from the uncertainty of several important legislative measures and lack of confidence in the business community.

As to what duty is necessary to place domestic productions on an equal footing with the foreign product, we can not answer, as in our particular class of cigar manufacturing, where cheaper grades are only made, not even free trade would enable us to ship goods to foreign countries in competition with their manufactures of a similar class, consequently only high tariff on manufactured cigars imported into this country would give home industry satisfactory protection internally.

Reducing the rates of duty one-third would cause no reduction in

cost of production, as jobbers would demand all benefits in our line where we only sell to this class of trade.

Our prices were: 1884, \$28; 1890 to 1892, \$20, and 1893, \$22.50 per 1,000.

We have had an increase in domestic competition.

I desire a specific duty, as this would overcome all deceptions usually practiced upon the Government on the ad valorem plan.

Wages have decreased during the past twelve months.

The cost of living for workmen is about \$10 per week. Can not itemize expenditure.

We have no difficulty in construing the present law. We would suggest, however, that rather than reduce tariff on imported tobacco to \$1 per pound we prefer it to remain as per present schedule. We can not produce either Havana or Sumatra tobacco in this country, and as the American people do not seem to desire any substitute for these tobaccos but, in fact, insist upon using same, we think that a 35 to 50 cent duty thereon would be sufficient.

The cost of living has increased to 1893, but now decreased to a considerable extent. We can not give a fair estimate.

Uncertainty as to outcome of proposed tariff bill, and the only remedy will be prompt legislation on the part of the honorable Senate.

Tobacco is our raw material.

Our goods are luxuries.

We pay 5 to 6 per cent on loans.

Immigration has no effect on our business.

Ninety-five per cent of our labor is skilled.

Reduction of duty on goods must be met by furnishing better articles for the money, reducing proportionately present prices.

We employ about 160 men and 200 women, no children, and pay about \$11 per week, on an average.

Our hours for labor are fifty per week, generally.

No foreign articles enter into competition with us.

None of our goods are exported.

The cost of manufacturing has increased in some branches and in other departments decreased since 1883.

Our selling prices increased since 1890.

About 200,000 pounds of tobacco are consumed in our manufacture.

We pay on Sumatra \$2 per pound specific; Havana, 50 cents ad valorem.

If raw material were free we would need customs duty on cigars.

On tobaccos (raw) the prices vary. Tobaccos have increased in price as well as cigars.

---

No. 4418.

*Reply of E. Weigner & Co., of New York City, manufacturers of cigars.*

We are employing about 30 to 40 hands. Wages are lower than ever in this branch and the laborers make a mere living only. Profits are none to be talked about, and we lose money steadily and fast.

The only remedy for our article is as follows: Reduce the duty on Sumatra and Havana wrapper to 30 cents a pound and make the duty on Havana cigars 100 per cent of their value. This is one way to better the condition of our trade and also the best. If you think to benefit the farmers of tobacco of our country by preventing the import of

wrapper leaf there is only one way to prevent it from coming here, and this is to put a duty of \$10 per pound on Sumatra and Havana wrapper. By putting \$1 or \$2 duty on above tobacco you only cut the wages of the cigar-makers, make competition from Cuba possible, and ruin the manufactures of this country.

---

No. 4419.

*Reply of E. Amick, of Canal Dover, Ohio, manufacturer of cigars.*

[Established in 1873.]

Have been in the business of manufacturing cigars since 1873, and have employed 8 men and 5 men up to 1890, and I now employ only 1 journeyman.

The high duty of \$2 per pound imposed by the tariff act of 1890 on Sumatra wrappers has raised Sumatra wrappers from \$1.50 to \$3.25 and \$4, and Havana wrappers have the same duty, \$2 per pound. This high rate of tax has cut off the making of fine cigars in the United States to a great extent, about two-thirds at least, and our fine workmen were compelled to work on a cheaper grade of cigars at nearly one-half the price of making. Prices for making Havana cigars are from \$12 to \$14 for making 1,000, and for domestic tobacco from \$6 to \$7 per 1,000. The Havana tobacco can not be raised in the United States, neither can Sumatra tobacco be raised in the United States, and for this reason there ought to be a very light tax upon the raw material and a reasonably high rate on imported cigars. This would give our farmers that raise or grow tobacco in the United States a chance to export their tobacco as they did before the present prohibitory tax was imposed on Sumatra and Havana tobacco. I think there should not be more than 35 cents tax on Sumatra and Havana tobacco. I also think that the revenue tax on cigars ought not to be raised from \$3 per 1,000 to \$4 per 1,000, as I understand is proposed by the Wilson bill.

---

No. 4420.

*Reply of A. Abraham, of Chicago, Ill., manufacturer of cigars.*

Have been a manufacturer for the past eighteen years in the trade of making cigars and have employed as high as 15 men. I had always got along first rate. The men had made good wages, but since the tariff of 1890 went into effect it drove me to the wall. For this reason: I always had a good credit and I got all the Sumatra I wanted previous to the tariff of 1890 bill, but now the leaf-dealers will not give out of their pocket \$3.50 to the Government in cash to trust a manufacturer that wants 1 bale of Sumatra. Now, see the amount of cash money he would have to lay out for a man that is working with larger force. It is simply driving the smaller manufacturers out of existence. If the duty on Sumatra could be reduced to 35 cents per pound there would be more money coming in to the Government than under the \$2 duty. This Sumatra tobacco is a tobacco that can not be grown in this coun-

try, and it would not affect the farmers here. And one other thing is, why should we protect the farmer at the sacrifice of the millions of people who consider tobacco a necessity?

---

No. 4421.

*Reply of John Dodd, of Fostoria, Ohio, manufacturer of cigars.*

I have lost 50 per cent of my trade in the last two or three years. In my opinion, I lay part of the blame on the people of the United States of America and part to money legislation to our business depression.

In regard to Sumatra leaf tobacco the duty is not high enough to force it out of our market. The people of the United States have a wrong spirit, as good loyal citizens. They demand too many foreign-made goods, and leave the American product on the shelf. If you can not teach the people to use the American product, then there is but one remedy left, very high tariff duty, so high that the people will be forced to buy the American product.

There is too great a spirit of desire among the American people to purchase a foreign article. In regard to our money, silver especially, would say, put our silver dollar in one hand and our gold dollar in the other for anyone to take his choice, and they will at all times take the gold. I think money is very poor when you can produce 1,000 silver dollars at a cost of between \$450 to \$500. France has been the most successful of any foreign power. Why? Because she has a varying standard; sometimes it is silver and sometimes it is gold; her money is more on an equal basis. In my opinion gold and silver should be on an equal basis. It was only a few years ago that she paid her great war debt clear up. Whenever people create a great demand for a foreign article put a high tariff on it so that the American article will not suffer to lay on the shelf, and I believe, either to put it on high enough to force the goods out of the market or else let it in free, as a small tariff is worse than none at all, as it gives the capitalist a chance to monopolize the trade, especially in Sumatra leaf tobacco. The people want Sumatra-wrapped cigars and there are only a few manufacturers in the United States that can work and buy Sumatra to any profit. Put on it either a duty so high that they can not purchase it, or else take it clear off, so we all can use it alike and stop the monopoly of these few.

---

No. 4422.

*Reply of J. M. Mulhain, of Mineral Point, Wis., manufacturer of cigars.*

I am a small cigar manufacturer. The cigar business has been very unsatisfactory the last two years. The reason for it is the high rate of duty on Sumatra leaf and the increased capital that has been used in business, on that account compelling a small manufacturer to go out of the business, and thereby concentrating the cigar industry in the hands of a few and creating a monopoly for those that have large capital. To say that this high tariff on Sumatra tobacco has helped our domes-



the leaf in this State, is false, as the market reports will show. Wisconsin tobacco, in 1884, averaged 16 cents per pound, and the duty on Sumatra was only 35 cents, and since the tariff act of 1890 these last two years have not averaged 5 cents per pound.

The cigar business was in a very prosperous condition previous to the present law, allowing manufacturers to pay their help good wages, and to make a good 5 and 10 cent cigar with a fair profit for themselves. And as the people have been so educated to the appearance and taste of Sumatra, it is impossible to use the domestic wrapper. As there is only one State (that is Connecticut) where they can grow wrappers that are fit to put on a cigar, it is impossible for them to grow enough to meet the demand. I think a uniform duty of 75 cents per pound is enough, and it would produce more revenue than the Wilson bill of \$1, without hurting the domestic leaf. I protest against the Senate bill raising the tax on cigars from \$3 to \$5, as it will be impossible for manufacturers to raise the price on cigars that are selling on a small margin. The only thing they can do is to make their workmen stand it, that is, to cut their wages \$2 per 1,000, which will mean a good deal to the workmen, making the cigar business very unsatisfactory to the manufacturer and workmen. There is not a city of 2,000 inhabitants but has from one to two cigar factories that employ from 4 to 10 men, in the Northwest; and those people will have to stand it, not the smoker; the workmen, and not the consumer. Put the cigar industry where it was before the present law, and it will be prosperous once more, and produce more revenue than ever; satisfactory to the small manufacturer so he can still pay good wages to his workmen, and become prosperous himself.

---

No. 4423.

*Reply of John King, jr., of Farmer, N. Y., manufacturer of cigars.*

The business I am interested in is manufacturing cigars, and I find in that line of business it is necessary to use imported Havana for fillers and Sumatra for wrappers, and that materials should be reduced, as I know of no American tobacco that will substitute either Sumatra or Havana. Since the present law took effect I have had to discontinue the use of Sumatra wrappers. On these two articles I am in favor of a lower rate of duty, or, if they were placed at the old duty before the tariff act of 1890 passed, I do not think this would in any way deter the growers in this country, as they get now only a slight advance from old prices. The leaf dealers are the people that reap the benefit.

Reduce the tariff and the growers will, in my opinion, be just as well off.

---

No. 4424.

*Reply of J. E. Baker & Co., of Mexico, N. Y., manufacturers of cigars.*

We are manufacturers of cigars in a small way. The only tobacco that is imported that we use is Havana fillers, and we do not export any goods.

We think the duty of \$1 per pound on wrappers, as you have fixed it, is enough, and also would be satisfactory to the producers after the bill becomes a law. The raise on internal revenue to \$5 per 1,000 we do

not believe will give the best of satisfaction, because the manufacturer will have to loose the most of it. When it was reduced in 1883 the manufacturer got \$1, the laborer \$1, and the retailer \$1. Think the manufacturer could and would stand \$1 advance. All tobacco that is grown here has been lower for the last two years than it was in the eighties. Our business has been good all winter.

---

No. 4425.

*Reply of Julius Bernstein, of New York City, manufacturer of cigars.*

We manufacture about 100,000 cigars annually out of domestic tobacco and about 100,000 Havana and Sumatra cigars.

I pay \$4.50 per pound for Sumatra wrapper, \$2.50 per pound more than before the tariff became so high, and receive the same value as before.

The wages I paid my workmen before the tariff became so high were from \$10 to \$14 a week, now I can not pay more than \$5 to \$8.

I think if the tariff was about either 35 or 50 cents a pound I could employ more workmen and pay better wages.

A high tariff on imported manufactured cigars would be a good thing as we can make as good cigars as any other country with Havana filler and Sumatra wrapper, therefore we should have a low tariff on tobacco, that is, Havana and Sumatra.

---

No. 4426.

*Reply of Hilliard & Kaste, of Verplanck, N. Y., manufacturers of cigars.*

[Established in 1888.]

We employ at present 8 skilled hands.

Our business has not been affected by any tariff legislation until the enactment of the tariff act of 1890, which raised the price of Sumatra wrappers, which are a necessity in this business. The Wilson bill, as passed by the House, remedies this to an extent, not as much perhaps as we would like to see, but it is a step in the right direction; in fact, the whole Wilson bill conforms so well to our ideas that we would recommend its passage unchanged by the U. S. Senate as speedily as possible. Tariff reform is what you are pledged to, and that's what the people want and expect.

No. 4427.

*Reply of E. F. Bruhn, of Morris, Minn., manufacturer of cigars.*

I am manufacturing cigars, and, as such, buy imported stock or raw material, such as Havana for fillers and Sumatra leaf for wrappers.

The duty of \$2 on Sumatra leaf is too high, almost ruinous, as we have to buy it anyway, because there is no leaf grown in this country equal to it in quality for wrapper purpose, and the trade demands it. One dollar duty, as in the Wilson bill, is plenty high; 75 cents would be a great deal better.

But if ever an industry received great benefit from a high tariff, it was the cigar industry under the high duty on imported cigars of the tariff of 1890. Before this law thousands of cigar-makers over the country were thrown out of employment several months, twice a year, when business was dull; but since the high duty on imported cigars took effect wages are higher, and they have employment steady the year round in nearly all parts of the country. Now there are comparatively few imported cigars sold; before the country was flooded with them. This country can manufacture as good cigars in all qualities as any other, but where we have the disadvantage is that people always prefer imported stock or goods, even if it is inferior in quality. If you lower the duty on cigars, the country will again be flooded with them, and the result will be thousands of cigar-makers will be thrown out of their work, and the rest will have to work for lower wages. The wages of the Spanish cigar-makers in Cuba are about one-half lower than the average wages in this country, so you see we can not compete with their wages.

I should like to see the tariff on cigars in Wilson bill raised to the present duty. It would be a great benefit to thousands of families in this country, and also a benefit for the consumers or smokers to smoke domestic cigars instead of imported.

---

 No. 4428.
*Reply of R. J. Hillier, of Philadelphia, Pa., manufacturer of cigars.*

Snuff, chewing tobaccos, and cigarettes are made only from tobacco grown in the Southern States, as well as being manufactured there. The tariff of 1890 reduced the tax on above, and the Wilson bill makes no change, with an immaterial exception.

Cigars are made of tobacco grown in the States of Wisconsin, Ohio, Pennsylvania, New York, and Connecticut, and comparatively all cigars are made north of the Potomac. An infliction of \$2 per pound by the tariff of 1890, and the reduction of same to \$1 has been offset by an increased internal-revenue tax of \$3 to \$5 per 1,000 by the Wilson bill.

I need not speak of the injustice of taxing one industry to relieve another, but the fact is, our trade has been overtaxed for years, wages greatly reduced, etc. The tobacco States of Wisconsin, Ohio, Pennsylvania, New York, and Connecticut voted for Mr. Cleveland and tariff reform, and the Southern Senator having charge of this clause violated the above instruction, as well as knowingly or ignorantly

being sectional and unjust. Personally, I have no desire or right to place my individual interests against the common good yet this is so grossly unjust that I must offer my protest.

I have always voted the Democratic ticket, commencing with Mr. Breckinridge in 1860, for the reason I believe in giving my country the advantage of better counselors, but am beginning to hesitate. Why should the cigar industry be made to pay the debts of others? For years we have, without complaint, paid our large portion of the war tax, while combinations (protected) were enabled to rob us and others.

This industry is no more of a luxury than coffee or tea; if an injury to society, make it illegal.

While I am sure this feeble protest will have no influence, yet as an American citizen I respectfully offer my protest against any increased taxes on our industry in any manner, form, or way.

There is absolutely no opportunity for a young man, with limited means, to engage in our industry. Is this right or wrong? Is not the tendency to pauperism and anarchy?

○